

STATE OF SOUTH CAROLINA

South Carolina Electric & Gas Company's
Annual Request for Revised Rate

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2011 - 207 - E

(Please type or print)

Submitted by: K. Chad BurgessSC Bar Number: 69456Address: SCANA Corp.Telephone: 803-217-8141220 Operation Way, MC-C222Fax: 803-217-7931Cayce, SC 29033

Other: _____

Email: chad.burgess@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input checked="" type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	



K. Chad Burgess
Associate General Counsel

chad.burgess@scana.com

May 27, 2011

VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive (29210)
Post Office Drawer 11649
Columbia, South Carolina 29211

RE: South Carolina Electric & Gas Company
Annual Request for Revised Rates
Docket No. 2011-207-E

Dear Ms. Boyd:

South Carolina Electric & Gas Company ("SCE&G" or "Company"), pursuant to S.C. Code Ann. § 58-33-280 (Supp. 2010), is hereby filing with the Public Service Commission of South Carolina ("Commission") ten (10) copies of its Annual Request for Revised Rates. Section 58-33-280 authorizes SCE&G to file an Annual Request for Revised Rates subsequent to those approved in a base load review order no earlier than one year after the filing of a combined application in accordance with the Base Load Review Act, which SCE&G filed on May 30, 2008, in Docket No. 2008-196-E, and no more frequently than annually thereafter. In as much as the anniversary date of these prior filings falls on a federal and state holiday this year, SCE&G submits this filing on May 27, 2011, to be effective May 30, 2011. As indicated in the Combined Application and subsequent requests for revised rates, the Company intends to file future requests for revised rates annually with an effective date of May 30. SCE&G is also petitioning the Commission to enter a confidentiality order protecting certain commercially sensitive information from disclosure, as set forth below.

As part of its Annual Request for Revised Rates, SCE&G is filing as an exhibit, as required by § 58-33-280(B), a redacted and unredacted copy of its Quarterly Monitoring Report for the quarter ending March 31, 2011. Therefore, SCE&G is filing both a Public Version and a Confidential Version of its Annual Request for Revised Rates. In both versions, the Quarterly Monitoring Report is designated as Exhibit A.

The Confidential Version of the Annual Request for Revised Rates contains confidential information related to the pricing and pricing terms of the Engineering, Procurement and Construction Agreement ("EPC Contract") between SCE&G and a consortium consisting of Westinghouse Electric Company, LLC and Stone & Webster, Inc. (collectively, "Contractor"). The EPC Contract contains confidentiality provisions that require SCE&G to protect proprietary information that the Contractor believes to constitute trade secrets and to be commercially

sensitive. The Contractor has requested that SCE&G maintain the confidentiality of certain information contained in the Quarterly Report—more specifically, certain portions of **Appendix 2, Chart A and Appendix 3** to the Quarterly Report. This confidential information has been redacted from the Public Version of those appendices.

In keeping with the Contractor's request and the terms of the EPC Contract, SCE&G respectfully requests that the Commission find that the Confidential Version of the Annual Request for Revised Rates contains protected information and issue a protective order barring the disclosure of Exhibit A of the Annual Request for Revised Rates under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law, except in its public form. Pursuant to 26 S.C. Code Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion. Such a ruling in this instance would be consistent with the Commission's prior rulings in Docket No. 2008-196-E, Docket No. 2009-211-E, Docket No. 2009-293-E, 2010-157-E, and 2010-376-E finding, among other things, that the pricing and pricing terms of the EPC Contract to be confidential and issuing a protective order barring the disclosure of this information.

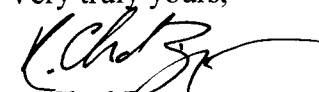
To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, enclosed with this letter and attached to the Annual Request for Revised Rates as Exhibit A is as follows:

1. A true and correct copy of the Confidential Version of the Annual Request for Revised Rates in a sealed envelope marked "CONFIDENTIAL." Each confidential page of the Confidential Version of the Annual Request for Revised Rates is also marked "CONFIDENTIAL."
2. Ten copies of a redacted Public Version of the Annual Request for Revised Rates for filing and public disclosure.

SCE&G respectfully requests, in the event that anyone should seek disclosure of the unredacted Confidential Version of the above-referenced documents, that the Commission notify SCE&G of such request and provide it and the Contractor with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Confidential Version of these documents from disclosure.

If you have any questions, please advise.

Very truly yours,



K. Chad Burgess

KCB/kms
Enclosures

cc: John W. Flitter
Jeffery M. Nelson, Esquire
(both via hand delivery)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2011-207-E

IN RE:

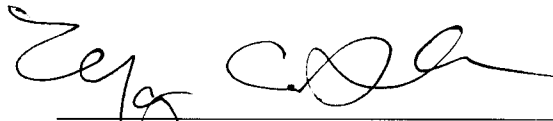
South Carolina Electric & Gas Company's)
Annual Request for Revised Rates)
)
)
)
_____)

**CERTIFICATE OF
SERVICE**

This is to certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Annual Request for Revised Rates** upon the persons named below via hand delivery:

Jeffrey Nelson, Esquire
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

John W. Flitter
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201



Mary C. Salane

Cayce, South Carolina
This 27th day of May, 2011



Annual Request for Revised Rates

**Public Service Commission
of South Carolina
DOCKET NO. 2011-207-E**

BEFORE
THE PUBLIC SERVICE COMMISSION
OF
SOUTH CAROLINA
DOCKET NO. 2011-207-E

In the Matter of:)	
)	
South Carolina Electric & Gas Company's)	SOUTH CAROLINA ELECTRIC &
Annual Request for Revised Rates.)	GAS COMPANY'S REQUEST FOR
)	APPROVAL OF REVISED RATES
)	

South Carolina Electric & Gas Company ("SCE&G" or "Company"), pursuant to S.C. Code Ann. § 58-33-280 (Supp. 2010), hereby submits its annual request for approval of revised rates.

In accordance with the terms of S.C. Code Ann. § 58-33-280, SCE&G may file with the Public Service Commission of South Carolina ("Commission") a request for approval of revised rates subsequent to those approved in a base load review order no earlier than one year after the filing of a combined application in accordance with the Base Load Review Act and no more frequently than annually thereafter.

The Combined Application in Docket No. 2008-196-E and the revised rates filings in Docket Nos. 2009-211-E and 2010-157-E have been filed on or made effective as of May 30th of each of their respective years.

As previously indicated in each of those dockets, SCE&G intends to file requests for revised rates annually on or effective on May 30 of each year during construction of the V.C. Summer Nuclear Units 2 & 3.

In as much as the anniversary date of the filing in Docket No. 2010-157-E falls on a federal and state holiday (*i.e.*, Memorial Day), the present request for revised rates is being submitted on May 27, 2011, to be effective as of that anniversary date, which is May 30, 2011.

In support of this request, SCE&G would respectfully show to the Commission:

1. SCE&G is a corporation duly organized and existing under the laws of the State of South Carolina, with its principal offices at 220 Operation Way, Cayce, South Carolina, 29033. The Company is engaged in, among other things, the business of generating, transmitting, delivering, and providing electricity to public and private energy users for compensation.

2. SCE&G owns and operates an integrated electric utility system that serves over 660,000 customers in 24 counties in central and southern South Carolina. SCE&G's service territory includes the metropolitan areas of Charleston, Columbia, Beaufort, and Aiken and many other smaller cities and towns, and rural areas in South Carolina.

3. Corporate legal counsel for SCE&G in this proceeding are as follows:

K. Chad Burgess, Esquire
Matthew W. Gissendanner, Esquire
South Carolina Electric & Gas Company
Mail Code C222
220 Operation Way
Cayce, South Carolina 29033
Telephone: (803) 217-8141
Facsimile: (803) 217-7810
E-Mail: chad.burgess@scana.com
E-Mail: matthew.gissendanner@scana.com

All pleadings, correspondence and communication relating to this request should be addressed to SCE&G's authorized representatives as stated above.

4. On May 30, 2008, SCE&G filed a Combined Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity and for a Base Load

Review Order for the Construction and Operation of a Nuclear Facility in Jenkinsville, South Carolina (“Combined Application”) in Docket No. 2008-196-E. As part of the Combined Application, SCE&G requested initial revised rates reflecting the Company’s then current investment in V. C. Summer Nuclear Station Units 2 & 3 (“Units”). A hearing on the Combined Application was held before the Commission starting on December 1, 2008 and concluding on December 17, 2008.

5. On March 2, 2009, the Commission issued Order No. 2009-104(A) granting the relief requested in the Combined Application and approving, *inter alia*, initial revised rates as requested in the Combined Application, as amended during the pendency of the hearing on the Combined Application.

6. On July 20, 2009, SCE&G filed a request pursuant to S.C. Code Ann. § 58-33-270(E) (Supp. 2010) to approve updated milestone and capital costs schedules for the construction of the Units. On January 21, 2010, the Commission issued Order No. 2010-12 approving SCE&G’s request and modifying the milestone and capital cost schedules initially approved in Order No. 2009-104(A).

7. On August 9, 2010, the South Carolina Supreme Court issued its decision in *South Carolina Energy Users Comm. v. South Carolina Pub. Serv. Comm’n*, 388 S.C. 486, 697 S.E.2d 587 (2010) (the “Opinion”) concerning the South Carolina Energy Users Committee’s appeal of Order No. 2009-104(A). In its Opinion, the Supreme Court ruled that contingency costs which had not been itemized or designated to specific cost categories were not permitted as a part of approved capital cost schedules under the Base Load Review Act. The effect of this decision was to require the removal of \$438,291,000 in projected contingency costs from the capital cost schedules approved in Order No. 2009-104(A) and Order No. 2010-12.

8. On November 15, 2010, SCE&G, pursuant to S.C. Code Ann. § 58-33-270(E) (Supp. 2010), filed with the Commission a petition seeking an order approving an updated capital cost schedule for the Units. On May 16, 2011, and consistent with the Opinion, the Commission issued Order No. 2011-345 approving SCE&G's request thereby updating the capital cost schedule initially approved in Order No. 2009-104(A) as modified by Order No. 2010-12.

9. In compliance with S.C. Code Ann. § 58-33-277(A) and Order No. 2009-104(A), SCE&G has filed with the South Carolina Office of Regulatory Staff ("ORS") and the Commission quarterly reports for each quarter since the effective date of Order No. 2009-104(A). On May 16, 2011, SCE&G filed its most recent quarterly report for the quarter ending March 31, 2011 (the "Quarterly Report"). The Quarterly Report provides information concerning the status of the Units and updates the capital cost and construction schedules for the Units as approved in Order No. 2011-345. A copy of the Quarterly Report is attached as **Exhibit A**, which reflects that the Units are being constructed in accordance with the construction schedule approved in Commission Order No. 2010-12 and the cumulative capital cost forecasts approved in Commission Order No. 2011-345.

10. So long as the Units are being constructed in accordance with the construction schedules approved in Commission Order No. 2010-12 and the cumulative capital cost forecasts approved under Commission Order No. 2011-345, S.C. Code Ann. § 58-33-280(B) provides for the utility to recover through revised rates its weighted average cost of capital applied to all or part of the outstanding balance of construction work in progress calculated as of a date specified in a filing for revised rates.

11. As required by the Base Load Review Act, in calculating the proposed revised rates, SCE&G has utilized the factors, allocations, and rate designs approved in Order No. 2010-471 issued in Docket No. 2009-489-E. Moreover, the proposed revised rates incorporate the upcoming expiration of the Rate Reduction Rider (Weather Normalization Related) as previously approved in Docket No. 2009-489-E and the upcoming adjustment to SCE&G's Rider to Retail Rates – Demand Side Management Component as recently approved in Docket No. 2011-49-E.

12. As further required by the Base Load Review Act, the additional revenue to be collected through revised rates has been allocated among customer classes based on SCE&G's firm peak demand data from the prior year. For purposes of allocating the additional revenue requirement to be collected through revised rates in this filing, SCE&G has utilized data for the adjusted summer peak of 2010, as set forth in **Exhibit B**.

13. The revised rates as proposed herein will allow the Company to earn a return on equity of 11% as set forth in Commission Order No. 2009-104(A).

14. Pursuant to S.C. Code Ann. § 58-33-280(B), SCE&G has chosen June 30, 2011 as the date for calculating its outstanding balance of construction work in progress and weighted average cost of capital.

15. **Exhibit C** sets forth SCE&G's capital structure and weighted average cost of capital as of March 31, 2011, with adjustments projected through June 30, 2011.

16. **Exhibit D** sets forth the calculation of the incremental revenue requirement associated with the proposed revised rates. As set forth in **Exhibit D**, the Company's projected incremental construction work in progress through June 30, 2011 is \$484,712,000. The resulting increase in retail rates is approximately \$58,537,000.

17. To recover this revenue requirement, SCE&G is proposing revised rates resulting in the following increases: the Residential class will have an average increase in rates of 2.83%, the Small General Service class will have an average increase in rates of 2.67%, the Medium General Service class will have an average increase in rates of 2.67%, and the Large General Service class will have an average increase in rates of 2.49%. *See Exhibit E.*

18. As **Exhibit F** to this filing, SCE&G is providing updated retail electric tariff sheets setting forth the revised rates being proposed in this docket.

19. Consistent with Order Nos. 2009-104(A), 2009-696, and 2010-625, SCE&G has increased the Basic Facilities Charges for the Small General Service, Medium General Service, and Large General Service classes. No changes have been made to the Basic Facilities Charge for the Residential class. Demand charges have been adjusted as appropriate for all customer classes. SCE&G reserves the right to adjust all of these charges as appropriate in future rate proceedings.

20. As **Exhibit G** to this filing SCE&G is providing an updated forecast of future revenue requirements and rate increases that corresponds to the information provided on Exhibit M to the Combined Application in Docket No. 2008-196-E, as updated in Docket No. 2010-376-E.

WHEREFORE, South Carolina Electric & Gas Company respectfully requests that, upon completion of the audit and report by ORS as provided in S.C. Code Ann. § 58-33-280(D), the Commission issue an Order approving the proposed revised rates as set forth herein.

[SIGNATURE PAGE FOLLOWS]

Respectfully submitted,

A handwritten signature in black ink, appearing to read "K. Chad Burgess", written over a horizontal line.

K. Chad Burgess, Esquire
Matthew W. Gissendanner, Esquire
Mail Code C222
220 Operation Way
Cayce, SC 29033-3701
Telephone: 803-217-8141
Facsimile: 803-217-7931
chad.burgess@scana.com
matthew.gissendanner@scana.com

Attorneys for
South Carolina Electric & Gas Company

May 27, 2011
Cayce, South Carolina

Index to Exhibits

- 1. Exhibit A:** Quarterly Report for the Quarter Ending March 31, 2011.
- 2. Exhibit B:** Peak Allocator.
- 3. Exhibit C:** Capital Structure.
- 4. Exhibit D:** Calculation of the Revenue Requirement.
- 5. Exhibit E:** Rate Increase by Class.
- 6. Exhibit F:** Tariff Sheets.
- 7. Exhibit G:** Update of Projected Rate Increases.

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104(A)**

Quarter Ending March 31, 2011

I. Introduction and Summary

A. Introduction

This quarterly report is submitted by South Carolina Electric & Gas Company (SCE&G or the Company) to the Public Service Commission of South Carolina (the Commission) and the South Carolina Office of Regulatory Staff (ORS). It is submitted in satisfaction of the requirements of S.C. Code Ann. § 58-33-277 (Supp. 2010) and the terms of Commission Order No. 2009-104(A). This report provides updated information concerning the status of the construction of V. C. Summer Nuclear Station Units 2 & 3 (the Units) and updates the capital cost and construction schedules for the Units. The Commission approved updated construction schedules for the Units in Order No. 2010-12. The Commission approved updated capital cost schedules for the Units in Order No. 2011-345 issued in May of 2011.

Order No. 2011-345 was based on updated cost schedules that SCE&G filed with the Commission on November 15, 2010, and supplemented on March 8, 2011. Those updated schedules removed \$438,291,000 in owner's capital cost contingencies in response to the South Carolina Supreme Court opinion in South Carolina Energy Users Comm. v. South Carolina Pub. Serv. Comm'n, 388 S.C. 486, 697 S.E.2d 587 (2010) (the Opinion). The updated schedules also included approximately \$174 million in capital costs that the Company had identified and itemized to specific cost items for the project since Order No. 2009-104(A). They further reflected all changes in the timing of cash flow requirements since Order No. 2010-12 was adopted.

B. Structure of Report and Appendices

The current reporting period is the quarter ending March 31, 2011. The report is divided into the following sections:

Section I: Introduction and Summary;

Section II: Progress of Construction of the Units;

- Section III: Anticipated Construction Schedules;
- Section IV: Schedules of the Capital Costs Incurred Including Updates to the Information Required by S.C. Code Ann. § 58-33-270(B)(6) (the Inflation Indices);
- Section V: Updated Schedule of Anticipated Capital Costs; and
- Section VI: Conclusion.

Appendices 1, 2, and 4 to this report contain detailed financial, milestone and other information updating the schedules approved by the Commission in Order No. 2010-12. For reference purposes, **Appendix 3** provides a copy of the approved capital cost schedule for the project without adjustments in the form approved in Order No. 2011-345.

A confidential and a public version of this report and its attachments are being provided. All cost information presented reflects only SCE&G's share of the project's cost. Attached to the end of the report is a glossary of acronyms and defined terms used in it.

C. Construction Schedule and Milestones

As the report indicates, the Company has met all current construction milestones approved by the Commission in Order No. 2010-12, as adjusted pursuant to contingencies authorized in Order No. 2009-104(A). There are 146 separate milestones. Of these, 59 have been completed as of March 31, 2011. Comparing the scheduled milestone completion dates as of the date of this report to the milestone completion dates approved by the Commission in Order No. 2010-12, the completion dates of 71 milestones have changed. Of these, 29 have been accelerated and 42 have been delayed for between one and 12 months.

D. Construction Costs and Cost Forecasts

As this report indicates, the Company is on track to complete the Units at the capital cost forecast of approximately \$4.3 billion as approved in Order No. 2011-345.

In Order No. 2009-104(A), the Commission recognized that forecasts of AFUDC expense and escalation would vary over the course of the project and required those forecasts to be updated with each quarterly report. New escalation indices were issued in May 2011 for the period of July-December of 2010 and those indices have been used in forecasting the construction costs for the project presented here. **Chart A** below compares the current capital cost forecast to the forecast presented in the last quarterly report.

Chart A: Reconciliation of Capital Cost (\$000)

<u>Forecast Item</u>	<u>Projected 3/31/11 @ Five-Year Average Escalation Rates</u>	<u>Projected 12/31/10 @ Five-Year Average Escalation Rates</u>	<u>Change</u>
Gross Construction	\$5,623,535	\$5,786,943	(\$163,408)
Less: AFUDC	\$246,515	\$255,684	(\$9,169)
Total Project Cash Flow	\$5,377,020	\$5,531,259	(\$154,239)
Less: Escalation	\$1,106,719	\$1,260,855	(\$154,136)
Capital Cost, 2007 Dollars	\$4,270,301	\$4,270,404	(\$103)

Chart A shows that the forecasted capital cost of the Units in 2007 dollars has decreased by approximately \$103,000. This reduction reflects the voluntary decision by the Company, communicated to the Commission by letter dated April 25, 2011, that it would not to seek recovery for \$103,000 in Community/Support Outreach costs that Westinghouse/Shaw had included in costs to be charged under the Engineering, Procurement and Construction Agreement (EPC Contract) for the Units.

Chart B compares the current forecast of gross construction costs, including current escalation, to the forecast on which the Commission relied in adopting Order No. 2011-345. Due to the changes in forecasted escalation rates when netted against other changes as discussed more fully below the cost of the plant in future dollars has decreased by \$163 million.

Chart B: Reconciliation of Capital Cost (\$000)

<u>Forecast Item</u>	<u>Projected @ 3/31/11 (Five-Year Average Rates)</u>	<u>As Forecasted Or Approved In Order 2011-345</u>	<u>Change</u>
Gross Construction	\$5,623,535	\$5,786,943	(\$163,408)
Less: AFUDC	\$246,515	\$255,684	(\$9,169)
Total Project Cash Flow	\$5,377,020	\$5,531,259	(\$154,239)
Less: Escalation	\$1,106,719	\$1,260,855	(\$154,136)
Capital Cost, 2007 Dollars	\$4,270,301	\$4,270,404	(\$103)

As shown on **Appendix 2, Chart B**, the total capital cost of the Units in current dollars has increased by approximately \$9 million compared to the adjusted target. This increase relates to cash flow timing matters exclusively and does not change the cost of the Units in 2007 dollars.

E. Escalation Rates

As provided in Order No. 2009-104(A), the most current twelve-month inflation indices are used to escalate costs occurring in the twelve-month period after the date of each quarterly report. As stated above, new escalation indices were last issued in May 2011 for the period of July-December of 2010 and those rates are reflected in this report.

As shown on **Appendix 4**, utility construction cost escalation rates were at historically high levels during the period 2005-2008, and since then have begun to drop. The current one-year averages and five-year averages are now closer to historical ten-year rates than they have been in certain past periods. Current escalation rates are shown on **Chart C**, below.

Chart C: Handy-Whitman Escalation Rates

<u>January 2011 Update</u>	
	Escalation Rate
<u>HW All Steam Index:</u>	
One Year Rate	3.36%
Five Year Average	4.73%
Ten Year Average	4.45%
<u>HW All Steam/Nuclear Index:</u>	
One Year Rate	3.17%
Five Year Average	4.74%
Ten Year Average	4.46%
<u>HW All Transmission Plant Index</u>	
One Year Rate	1.44%
Five Year Average	4.33%
Ten Year Average	4.55%

F. AFUDC

The AFUDC for the project is currently projected to be approximately \$9 million lower than the forecast on which Order No. 2011-345 was based. Consistent with Order No. 2009-104(A), SCE&G computes AFUDC based on the Federal Energy Regulatory Commission (FERC) approved methodology as applied to the balance of Construction Work in Progress (CWIP) that is outstanding between rate adjustments. SCE&G's AFUDC rate is currently 5.87% which is the same rate that applied when Order No. 2011-345 was issued. Standing alone, the current AFUDC rate would produce no change in the forecasted amount of AFUDC. However, lower escalation rates, as partially off-set by the effect of timing changes in the cash flows, have reduced the forecasted project cash flows for the project thereby producing the forecasted reduction in AFUDC for the project.

G. Compliance with the Commission Approved Cumulative Project Cash Flow Target

The current approved Cumulative Project Cash Flow target for the project was adopted by the Commission in Order No. 2011-345. In Order No. 2009-104(A), the Commission provided that the applicable Cumulative Project Cash Flow target would be adjusted with each quarterly report to reflect updated escalation data.

Appendix 2, Chart A provides the approved Cumulative Project Cash Flow target updated for current escalation data. The cash flow targets up to December 31, 2010, have been updated to reflect actual escalation rates up to that date. The cash flow targets for the first quarter of 2011 and beyond have been updated based on the most recently available inflation indices, which for purposes of this report are the indices provided in May of 2011 that are current through December 31, 2010. When actual indices for the period January 1, 2011 to June 30, 2011 become available, the cash flow data for the first quarter of 2011 will be revised to reflect the actual escalation rates.

Appendix 2, Chart B compares the approved Cumulative Project Cash Flow target to the current cumulative cash flow schedules for the project, which include actual costs where available and SCE&G's working forecasts of annual cash flows for future years. In addition, the figures presented on **Appendix 2, Chart B** for 2011 have been adjusted to reflect timing differences between the billing methodology under the EPC Contract and the calculation of the escalated cash flow targets under Order No. 2009-104(A). Under the EPC Contract, for periods where actual escalation rates are not available, Westinghouse/Shaw bills SCE&G based on a rolling 2-year average of the applicable Handy-Whitman rate and provides adjustments in the following period to reflect the actual rate when it is known. An adjustment has been made to **Appendix 2, Chart B** to offset the timing difference related to Westinghouse/Shaw's approach to estimated billings and credits which applies to those EPC cost categories that are subject to indexed escalation. As shown on **Appendix 2, Chart B**, the adjustment for calendar year 2011 is calculated to be approximately (\$1.4) million based on data for the first quarter of 2011.

II. Progress of Construction of the Units

Construction of the Units is progressing on schedule. However, in light of the anticipated delay in the issuance of the Combined Operating License (COL), which is discussed in more detail below, the current construction plan will not allow Unit 2 to be completed by the substantial completion date set forth in the EPC Contract. In response, in February of 2011, SCE&G approved Change Order 11 to the EPC Contract to provide for Westinghouse/Shaw to perform a COL Delay Impact Study to assess strategies for dealing with the delay. The study initially presented two alternative approaches. One scenario compressed the construction schedule for Unit 2 to retain the current substantial

completion date. The second scenario pushed the substantial completion date for Unit 2 out by six months. In March 2011, Westinghouse/Shaw submitted a preliminary draft of the study for review and critique by SCE&G. Upon review of the draft, SCE&G requested that the study evaluate a third scenario. That third scenario considers accelerating the substantial completion date for Unit 3 to determine whether such acceleration, when coupled with a delay in the Unit 2 substantial completion date, would create economies and efficiencies in the construction schedule. The logic of this third scenario is discussed more fully below at section II.E.4. A subsequent draft of the COL Delay Study Report has been provided to SCE&G for review and evaluation.

As discussed in more detail below, SCE&G does not have any information indicating that the March 11, 2011 earthquake and tsunami in Japan will impact the construction or permitting schedules for the Units.

A more detailed presentation of the status of the project is addressed in Section II.A-Section II.G below.

A. Licensing and Permitting Update

1. The Combined Operating License Application (COLA)

a) Design Control Document (DCD) Revisions

In December 2010, the Nuclear Regulatory Commission (NRC) Staff issued a favorable Safety Evaluation Report (SER) on the Design Control Document (DCD) Revision 18. During that same month, the Advisory Committee on Reactor Safeguards (ACRS) reviewed the SER and determined that the AP1000 design is fully adequate to protect public health and safety. In response, Westinghouse (WEC) is preparing a conforming Revision 19 to the DCD amendment application to incorporate into the DCD information that WEC previously had provided the NRC through Requests for Additional Information (RAIs). DCD Revision 19 will also include additional conforming amendments to the design that WEC has agreed to make as a result of the NRC's safety evaluation. WEC had previously committed to provide the NRC with DCD Revision 19 during the first quarter of 2011. However, several issues remain open and await completion of NRC Staff review. WEC is now expected to submit DCD Revision 19 to the NRC in June or July of 2011. The impact of this delay on the final rulemaking schedule is not known at this time but a delay of a month or more is anticipated.

As a result, SCE&G anticipates NRC approval of the amended DCD in the second half of 2011. The recent shift in the NRC schedule for DCD approval supports issuance of a COL for the Units in late 2011 or early 2012.

b) Site-Specific COL and Reference Plant COL

As of January 2011, the NRC Staff completed both its Phase A and B reviews to support development of the Advanced Final Safety Evaluation Report (AFSER) for the site-specific COLA for the Units. The second ACRS subcommittee meeting to review the remaining site specific information was held January 10 and 11, 2011. No significant issues were identified. In early February, the third and final full Committee ACRS meeting concluded favorably. As a result, on February 17, 2011, the ACRS issued a letter to the NRC supporting approval of the final COLA approval process to be conducted by the NRC Commissioners. On March 26, 2011, the NRC Staff completed Phase C of the safety review.

The NRC's review of the Reference Plant COL submitted by Southern Nuclear Operating Company for its units at Vogtle is on a similar schedule as the Units.

c) Environmental Review

In April 2011, subsequent to this reporting period, the NRC completed the Final Environmental Impact Statement (FEIS) for the Units. This is a significant milestone for the project, and completes the review of environmental impacts of the project. The approval of the FEIS in April 2011 supports the issuance of a COL for the Units in late 2011 or early 2012.

d) Legal Review

As noted in previous filings, several parties sought to intervene to raise issues before the Atomic Safety Licensing Board (ASLB) in its review of SCE&G's COLA. These interventions were dismissed either because their contentions were deemed not to be admissible, or because the intervenors lacked standing. As a result, there are no contentions associated with the COLA.

On April 15, 2011, subsequent to this reporting period, a number of individuals and environmental groups filed a petition before the NRC to suspend all pending reactor licensing decisions and related rulemaking decisions based on the events associated with the March 11, 2011 earthquake and tsunami in Japan. The NRC has taken no action with regard to this petition.

On March 21, 2011, the NRC established a senior level agency task force to conduct a comprehensive review of the NRC processes and regulations in light of the events in Japan. The task force will brief the NRC on its review at 30,

60 and 90 day intervals and will issue a preliminary report at the 90 day interval. The task force will complete a longer-term review six months from the beginning of the evaluation. On May 12, 2011, the task force conducted its initial briefing with the NRC and did not express any concerns regarding the Units.

SCE&G has no reason to believe that this review will impact the schedule for issuance of the COL for the Units. Initial reports indicate that the Japanese reactors withstood the effects of the massive earthquake and that the primary cause of the subsequent problems was the loss of power resulting from devastation of the site and its back-up power supplies caused by the tsunami. The passive safety features of the AP1000 design specifically allow for the safe shut down and stabilization of the reactors even in the event of the total loss of power for an extended period of time. Under the AP1000 design, back-up on-site power supplies are available as redundancy. As part of the NRC review process, the AP1000 units have been successfully analyzed against multiple disaster scenarios. In addition, the first of SCE&G's units is not scheduled for commercial operation until 2016. Any changes to plant safety procedures or standards that emerge from the NRC review of the events in Japan can be implemented prior to start-up of Unit 2 in 2016.

2. Other Major Construction Permits

a) SCDHEC Permits

- i. In February 2011, SCE&G received the South Carolina Department of Health and Environmental Control (SCDHEC) Phase 5 Stormwater permit which allows clearing and grading of 16.1 acres from the 13.8 kV alternate A/C line to the Raw Water Intake Structure (RWS).
- ii. SCE&G submitted the Preliminary Engineering Report and National Pollutant Discharge Elimination System (NPDES) Permit application to SCDHEC for the Wastewater System to Parr Reservoir. This application is for a permit to return fully treated discharge water into the Parr Reservoir. The application is under review with SCDHEC.

b) 401 Water Quality Certification and 404 Wetlands Permit

- i. A 404 Wetlands Permit is required before undertaking construction within wetlands which are subject to the jurisdiction of the Federal government. An accompanying 401 Water Quality Certification is required to assess whether

aquatic life/water quality is adversely impacted by construction activities associated with a 404 Wetlands Permit. The 404 Wetlands Permit for the Units encompasses the Units' cooling water intake and discharge structures, the cooling towers, and the permanent water treatment plant. While not part of the 404 Wetlands Permit, the EIS on which the 404 is based covers the full extent of the plant, including the transmission lines. During the fourth quarter of 2010, SCE&G revised its 404 Wetlands Permit application for the project to reflect the Company's decision to use existing rights-of-way or to expand transmission corridors for the transmission lines to be constructed by SCE&G and Santee Cooper to serve the Units and has resubmitted that application to the Army Corps of Engineers (ACOE). Approval of this permit is expected in 2011. In April 2011, subsequent to this reporting period, the NRC issued the FEIS and SCE&G is now awaiting the ACOE permit and 401 Water Quality Certification. The ACOE permit is anticipated to be placed on public notice by the end of May 2011. Meanwhile, pending the issuance of the 401/404 permit for the project, Westinghouse/Shaw is working around the intermittent stream bank in the Cooling Towers area. The timely issuance of the 401 Water Quality Certification and the 404 Wetlands Permit is a focus area for the project.

c) Other Permits

- i. In late 2010, SCE&G submitted to the FERC a License Amendment Application to authorize it to withdraw cooling and other water for the Units from the Monticello Reservoir and to authorize other construction activities within the project boundaries of the reservoir. Approval for this license amendment is anticipated to be granted in June of 2011.

- ii. In March, SCE&G received approval from Norfolk Southern for the installation of 360 feet of 36-inch high-density polyethylene (HDPE) sanitary sewer pipe and one crossing in a 24-inch steel pipe under the Norfolk Railroad adjacent to Parr Reservoir for Units 2 & 3 Waste Water Discharge Blow Down Line. A Master Easement Agreement must be signed and returned to Norfolk Southern to finalize approval. This Agreement is under review with SCE&G.

3. BLRA Regulatory Proceedings

On August 9, 2010, the South Carolina Supreme Court issued its opinion in South Carolina Energy Users Comm. v. South Carolina Pub. Serv. Comm'n, 388 S.C. 486, 697 S.E.2d 587 (2010). In the Opinion, the Court ruled that owner's capital cost contingencies were not permitted as part of BLRA-approved capital cost forecasts under the Base Load Review Act until costs could be identified and itemized to specific cost items. The Supreme Court's decision left open to SCE&G the option to petition the Commission under S.C. Code Ann. §58-33-270(E) to update the approved cash flow projections for the project. The Base Load Review Act requires such updates to be allowed unless the changes in the cash flow projections are proven to be the result of imprudence by the utility. On November 15, 2010, the Company filed with the Commission its Petition for Updates and Revisions to Capital Cost Schedules in Docket No. 2010-376-E. As set forth on Exhibit 1 to the Petition, the Company removed \$438,291,000 in owner's capital cost contingencies from its cost projections. In addition, the Company identified and itemized approximately \$174 million in costs to specific cost items in the capital cost forecast. Furthermore, the Petition updated the cash flow projections for the project to take into account all changes in the timing of cash flow requirements resulting from changes in project construction schedules and shifts in milestone dates. In May 2011, subsequent to this reporting period, the Commission issued Order No. 2011-345 approving the updated capital cost schedules for the project. Those schedules are incorporated in this report as the approved cost projections against which the project is measured for purposes of the Base Load Review Act. Parties objecting to the order must file a petition for rehearing with the Commission within ten days of receipt of the order.

B. Engineering Update

1. Engineering Completion Status

The V.C. Summer Units 2 & 3 Total Plant Design Completion Status is **87.8%**, which consists of the following:

- i.** Standard Plant Design – 94.2% complete
- ii.** Site Specific Design – 75.1% complete
- iii.** Standard Plant VCS Construction Ready Drawings – 3.5% complete

The Engineering Completion Status as reported above reflects the work necessary to bring the design outputs to a point where they are sufficient to support procurement and construction planning. Certified for Construction (CFC) design packages include all information necessary for construction of specific structures, systems or components.

2. Site Specific Design Activities

Shaw Engineering continues to perform Site Specific Design work to support the permitting for Site Specific Systems, to include the Circulating Water System, Yard Fire System, Potable Water System, Raw Water System, Sanitary Drain System and Waste Water System, and the Switchyard. There is a delay in Switchyard design progress, which is being tracked by SCE&G Engineering and Construction.

3. Procurement/Fabrication Update

a) During the last quarter of 2010, Shaw placed on hold all fabrication or rework activities related to the Units by Shaw Modular Solutions (SMS). The purpose of the hold was to evaluate and correct quality assurance (QA) issues at SMS's fabrication facility. A root cause investigation was conducted. On January 10, 2011, the NRC was unable to complete a vendor inspection audit at SMS due to the lack of actual production work ongoing. The NRC then requested a plan of action from SMS addressing all issues identified since initiation of fabrication. SMS responded to the NRC's request, outlining corrective actions put in place to elevate SMS's QA program implementation to the level of effectiveness required for fabrication of AP1000 modules. In addition, the Consortium has increased its QA/QC oversight and presence at the SMS facility, and SMS has undertaken a broad-based program for improving its quality

control practices and procedures and strengthening the nuclear safety culture at its facility. As of the end of April 2011, SMS is demonstrating significant progress in implementing its plans and improving its QA program and culture. On March 7, 2011, the Shaw Nuclear Quality Assurance annual implementation audit was performed. At this time, SMS received approval to begin rework activities of floor submodules. Phase I Prototype activities are on-going, and welding activities have begun for Module Prototype Phase II. The on-hook dates of the CA20 and CA01 (*i.e.*, the dates by which fabrication is complete and they are ready to be lifted into place) remain at March 2012 and June 2012, respectively. Westinghouse/Shaw still must provide SCE&G with an updated and credible module fabrication and delivery schedule that takes into account recent delays and the schedule impacts that can be anticipated from SMS's on-going implementation of its new processes and culture. The production and review of this schedule remains a focus area.

b) As previously reported, WEC identified QA deficiencies during an audit of its supplier, Mangiarotti, leading to a number of temporary manufacturing holds being invoked by WEC related to Mangiarotti's sub-suppliers. WEC conducted multiple observations and reviews at the various fabrication facilities in an effort to resolve the sub-supplier issues regarding production and fabrication of AP1000 components for SCE&G. As a result of these efforts, two of the four BLRA milestones previously impacted by the hold were completed during the fourth quarter of 2010. Completion dates for the other two impacted BLRA milestones (11-3Q-3 "Pressurizer Fabricator Notice to Contractor of Welding of Upper and Intermediate Shells Completion", and 12-1Q-2 "Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Final Post Weld Heat Treatment") remain within the BLRA milestone schedule contingency, as does the shipment of these components to the site. However, past Stop Work Orders and failed sub-supplier qualifications have impacted fabrication activities and delivery schedule. There is a potential negative impact to the site delivery date regarding Accumulator Tanks; however, WEC is working with Mangiarotti to improve the schedule. All Mangiarotti equipment is closely monitored by SCE&G and the Consortium to ensure that equipment delivery supports the schedule, and any related BLRA milestones remain within the specified contingency.

Additional tests were required on the Reactor Coolant Pump (RCP) for the China AP1000 projects due to indications discovered during initial testing that warranted a root cause analysis by Westinghouse and the

manufacturer, EMD. Improvements to the RCP in several areas were made. A more extensive Engineering Test of the RCP began on December 22, 2010 and was successfully completed in January 2011. The Endurance Test began on April 28, 2011, and will extend through July 2011. All indications are that this test will conclude successfully.

c) Doosan continues with the fabrication of the Reactor Vessel for Unit 2. BLRA milestone “Reactor Vessel Fabricator Notice to Contractor of Outlet Nozzle Welding to Flange Nozzle Shell Completion Unit 2” (10-3Q-3) was completed on December 30, 2010, which supports the milestone date for the receipt of the Unit 2 Reactor Vessel on site (BLRA milestone 13-2Q-6).

d) As previously reported, the Unit 2 Reactor Coolant System (RCS) Reactor Coolant Loop (RCL) Piping experienced delays in hot leg manufacturing due to issues with some of the mockup pieces exceeding the maximum wall thickness. Although bending of the Hot Leg (HL) 6 section took place in December 2010 with no issues, RCS loop piping now is on hold, pending resolution of grain size deviations. SCE&G and the Consortium are closely monitoring any potential impacts to BLRA milestone 11-4Q-5 regarding shipment of the Unit 2 RCL piping to the site.

e) A Stop Work Order also has been put into effect for SPX, which manufactures Squib Valves for the Units. Production will not resume until SPX demonstrates that all WEC Qualified Suppliers requirements are being met. There currently is no projected date for manufacturing restart, but SCE&G is monitoring SPX’s progress in resolving its issues. Potential schedule impacts also are being assessed. This is a focus area.

f) Equipment being manufactured in Japan is being closely monitored to determine any future schedule impacts. This equipment includes the Turbine Generator, Main Transformer, and Containment Vessel. Immediately following the March 2011 earthquake, the Consortium issued a Force Majeure letter informing SCE&G of possible effects to the manufacturing schedule. At this time, however, no schedule impacts have been identified. None of the suppliers or sub-supplier facilities for the project are located in the immediate area of the earthquake. In addition, no suppliers or sub-suppliers have reported damage to equipment or work in progress. As a result, the principal area of concern is the effect of limited supplies of electricity and diversion of engineering

resources to the recovery effort. To date, no specific delays have been reported.

C. Construction Update

1. Preconstruction work in the Switchyard continues, with the final 22 caissons being poured. However, due to weather delays, late issuance of documents for review, and delayed resolution of issues associated with design compliance to the approved Switchyard specification, work is approximately 2 months behind schedule. A Switchyard status meeting was held in April to determine the path forward. Shaw currently is developing an action plan to address open items that is due by May 13, 2011.

2. The Unit 2 power block excavation continues on schedule. Rock blasting and removal has been completed within the Nuclear Island, and an NRC inspection was conducted in April. Unit 3 excavation began in January 2011, and installation of the first 20 feet of the retaining wall has been completed.

3. Excavation for the first Cooling Tower foundation is complete. Deep foundations (steel h-piles) are being installed to support the structure and these are 75% complete.

4. The Module Assembly Building (MAB) structural work is complete and installation of permanent electrical power for the inside of the building is nearing completion.

5. Foundation work for the Heavy Lift Derrick (HLD) was completed in February 2011. Assembly of the carriage is underway, with parts arriving on site.

6. The second batch plant is complete, with production of non-safety concrete ongoing.

7. Preparation for Chicago Bridge & Iron (CB&I) mobilization continues, with assembly of the Containment Vessel Bottom Head (CVBH) support structure completed. Alignment finalization of the support structure is anticipated to be completed in May 2011. Assembly of the Containment Vessel (CV), however, remains on hold contingent upon resolution of previously reported CB&I QA program deficiencies identified at Vogtle. WEC performed a detailed surveillance in April to assess the condition of the CB&I program at the V.C. Summer site. As a result, additional corrective actions were given to CB&I to implement. WEC is scheduled to perform a follow-up audit in May. A Readiness

Review is also scheduled for May to determine whether or not CB&I will be released to work. This is a focus area.

D. Training Update

1. The major focus for Units 2 & 3 Training is completion of a six (6) week systems refresher course and “spin up” training using AP1000 Abnormal Operating Procedures and Emergency Operating Procedures to prepare the first group of 13 (twelve instructors and one supervisor) to attend the 17-week simulator portion of Instructor Senior Reactor Operator Certification (SRO-C) training on the Training Development Simulator at WEC in Cranberry, PA.

2. The Limited Scope Simulator (LSS) development remains on schedule to be operational in the first quarter of 2012; however, WEC recently informed SCE&G of a change in the schedule to conduct Integrated Systems Validation (ISV) testing on the LSS at WEC. The change is due to incomplete design inputs, procedures, and Probabilistic Risk Assessment (PRA). The proposal splits the tests into two phases, the first in 2011 and the second in the 2013/2014 timeframe. These changes will impact SCE&G’s ability to support the test with operating crews and could affect the capability of the LSS delivered to V.C. Summer. A meeting was held in April that addressed challenges associated with ISV schedule changes and LSS capabilities with WEC leadership. This is a focus area.

E. Change Control/Owners Cost Forecast Update

1. In Order No. 2011-345, the Commission approved updated Owners Cost projections for the project.

2. The process for approving Amendment No. 2 to the EPC Contract has been initiated. Amendment No. 2 will incorporate Change Orders 3 and 5-11 into the body of the EPC Contract.

3. Subsequent to this reporting period, SCE&G has provided a signed copy of Change Order 8 to WEC/Shaw. Change Order 8 embodies the provisions referenced in the Agreement signed by both Parties in August 2010 for the transfer of 11 scopes of work totaling approximately \$315 million from Target to Fixed/Firm cost categories.

4. In February 2011, SCE&G approved Change Order 11, which initiated a study conducted by WEC/Shaw that analyzed potential impacts to the construction schedule due to the probable delay in receiving the COL. The

original study considered two scenarios. One involved compressing the construction schedule to maintain the April 1, 2016 substantial completion date for Unit 2. The other involved delaying that date by 6 months. SCE&G has recently requested that the study consider a third scenario, under which the substantial completion date of Unit 2 would be delayed by 6 months and the substantial completion date of Unit 3 would be accelerated. By narrowing the gap between the Units, it may be possible to create construction efficiencies through avoiding demobilization and remobilization of crews as work progresses from one unit to another. A preliminary draft report including the third scenario has been provided for SCE&G for initial validation and review. There is no increase in EPC Contract cost associated with this change order.

F. Transmission Update

1. SCE&G's Power Delivery group has resolved the routes for the four 230kV transmission lines associated with the Units, *i.e.*, the VCS1 – Killian Line (Unit 2), the VCS2 – Lake Murray Line (Unit 2), and the VCS2 – St. George #1 and #2 Lines (Unit 3). These new lines will now occupy existing transmission right of way (ROW) corridors except for a segment of approximately 6 miles of the VCS1-Killian Line that will be built on a new ROW.

2. The VCS-Winnsboro segment and the Winnsboro-Blythewood segment of the VCS1- Killian Line will be constructed on existing ROW.

3. The Blythewood-Killian segment of the VCS1- Killian Line will be constructed on new ROW. The siting of the Blythewood-Killian segment was determined by a siting process that included public workshops. Public workshops were held on October 29, 2009, and March 16, 2010, to receive public comments on proposed siting and alternate routes for this line. A final route was identified and route notification letters have been mailed to all property owners in the study area with survey notifications included for property owners adjacent to the selected route. The transmission line centerline has been surveyed and ROW easement drawings have been prepared. SCE&G commenced ROW acquisition on March 22, 2011. Of the 48 parcels involved, approximately 14 have been acquired as of the end of April 2011.

4. A final letter was mailed the first week in January 2011 to all property owners within the study area of the Winnsboro-Blythewood section of the VCS1- Killian Line announcing the close out of the siting study based upon the decision to use the existing ROW corridor. The property owners were informed that no further public workshops are planned as a result of our decision.

The remaining section (VCS-Winnsboro) as noted above will also occupy existing ROW, and no formal workshops are planned.

5. SCE&G has completed initial inventory surveys of its existing ROW corridors for the VCS2 – Lake Murray Line and has conducted title searches of the existing properties. Any questions related to the scope or suitability of the existing easements and encroachments are being identified and assessed with resolution expected in the coming months.

6. SCE&G has completed acquisition of additional land in St. George, South Carolina, that will allow for installation of the breaker-and-a-half switchyard configuration needed to connect Unit 3 via two new VCS2 – St. George Lines. The decision to utilize existing corridors to the fullest extent possible to construct the VCS2 – St. George Lines is expected to eliminate or minimize the need to acquire new or expanded right-of-way for this line.

7. SCE&G and Pike Energy Solutions signed an engineering, procurement and construction contract on February 28, 2011, to provide for the permitting, engineering and design, procurement of material, and the construction of the four lines needed to connect the Units.

III. Anticipated Construction Schedules

As of March 31, 2011, the Company and its contractors remain on schedule to complete all required milestones as adjusted pursuant to the milestone schedule contingencies approved by the Commission in Order No. 2009-104(A). Each of those adjustments is itemized in the Milestone Update section that follows. Accordingly, the project is in compliance with the construction schedules approved by the Commission in Order No. 2010-12 and with the provisions of S.C. Code Ann. § 58-33-275(A)(1).

A. Construction Schedule Update

The Project Licensing and Permitting, Engineering, Procurement and Construction work remains on schedule to meet the Units' Substantial Completion dates. Rescheduling of the milestones is addressed in Section III.B. The rescheduling of these milestones is within the approved schedule contingencies and has no adverse impact on the Units' Substantial Completion dates.

B. Milestone Update

Attached as **Appendix 1** to this quarterly report is a spreadsheet that lists and updates each of the specific milestones constituting the anticipated construction schedule for the Units pursuant to S.C. Code Ann. § 58-33-270(B)(1) and Order No. 2010-12.

Comparing the milestone dates in this quarter to the reset milestone dates in Order No. 2010-12, 29 milestones have been advanced and 42 have been delayed. All milestone adjustments are within the scope of the milestone schedule contingencies authorized by the Commission in Order No. 2009-104(A). The milestone adjustments do not adversely affect the Substantial Completion dates for the Units.

IV. Schedules of the Capital Costs Incurred Including Updates to the Information Required by S.C. Code Ann. § 58-33-270(B)(6) (the Inflation Indices)

The Capital Cost Update section of this report (Section IV.A) provides an update of the cumulative capital costs incurred and forecasted to be incurred in completing the project. These costs are compared to the cumulative capital cost targets approved by the Commission in Order No. 2011-345. The approved capital cost targets have been adjusted to reflect the currently reported historical escalation rates. There has not been any use by the Company of the capital cost timing contingencies that were approved by the Commission in Order No. 2009-104(A). The Inflation Indices Update section (Section IV.B) of this report provides updated information on inflation indices and the changes in them.

A. Capital Costs Update

Chart A of Appendix 2 shows the Cumulative Project Cash Flow target as approved in Order No. 2011-345 and as updated for escalation and other Commission approved adjustments under the heading **“Per Order 2011-345 Adjusted.”**

Chart A of Appendix 2 also shows the cumulative cash flow for the project based on actual expenditures to date and the Company’s current forecast of cost and construction schedule under the heading **“Actual Through March 2011, plus Projected.”**

As shown on **Appendix 2, Chart A**, the actual expenditure for the project during the 12 months ended 2010 is approximately \$399 million. As shown on **Appendix 2, Chart B**, line 25, the cumulative amount projected to be spent on the project as of December 31, 2011 is \$1.324 billion. The Cumulative Project Cash Flow target approved by the Commission for year-end 2011 adjusted for current escalation and Westinghouse/Shaw billing differences is \$1.343 billion. As a result, the cumulative cash flow at year-end 2011 is forecasted to be approximately \$19 million less than the target.

For comparison purposes, **Appendix 3** sets out the cash flow schedule for the project as it was approved in Order No. 2011-345. **Appendix 3** does not include any adjustments to the cash flow schedule for changes in inflation indices or adjustments in capital cost schedules made by the Company. The AFUDC forecast presented on **Appendix 3** is the AFUDC forecast that was current at the time of Order No. 2011-345.

B. Inflation Indices Update

Appendix 4 shows the updated inflation indices approved in Order No. 2009-104(A). Included is a history of the annual Handy Whitman All Steam Index, South Atlantic Region; the Handy Whitman All Steam and Nuclear Index, South Atlantic Region; Handy Whitman All Transmission Plant Index, South Atlantic Region; and the Chained GDP Index for the past 10 years. The changes in these indices and the escalation-related effects of cost rescheduling resulted in a decrease in the projected cost of the Units in future dollars from \$5.8 billion as forecast in Order No. 2011-345 to a forecast of \$5.6 billion using current inflation data.

V. Updated Schedule of Anticipated Capital Costs

The updated schedule of anticipated capital costs for Units 2 & 3 is reflected in **Appendix 2, Chart A**.

VI. Conclusion

As indicated above, the scheduled completion dates for Units 2 & 3 remain unchanged. The Units are on track to be completed within the approved cost of \$4.3 billion in 2007 dollars. The Company maintains an extensive staff of experts that monitors and oversees the work of its contractors and has identified and continues to monitor closely all areas of concern related to either cost or schedule for the project. The Company will continue to update the Commission and ORS of progress and concerns as the project proceeds.

ATTACHMENT 1

GLOSSARY OF ACRONYMS OR DEFINED TERMS

Acronym or Defined Term	Reference
ACOE	The United States Army Corps of Engineers.
ACRS	Advisory Committee on Reactor Safeguards - a committee organized to independently review license applications and advise the NRC.
AECOM	A private engineering firm that works for Norfolk Southern railroad.
AFUDC	Allowance for Funds Used During Construction.
AP1000	The Westinghouse designed Advanced Pressurized water nuclear reactor of approximately 1000 megawatts generating capacity.
ASER	Advanced Safety Evaluation Report—a report by the NRC staff concerning its evaluation of the safety aspects of a nuclear license application.
ASLB	The Atomic Safety Licensing Board of the Nuclear Regulatory Commission.
BLRA	The Base Load Review Act, S.C. Code Ann. § 58-33-210 et seq. (Supp. 2009).
CA	The designation for a specific pre-fabricated construction module that forms part of the reactor building, such as Module CA20.
CB&I	Chicago Bridge & Iron, a sub-contractor on the project.
CFC	Certified For Construction—engineering and design drawings that are ready for construction to begin.
COL	A Combined Operating License for construction and operation of a nuclear unit issued by the NRC.
COLA	A Combined Operating License Application.
Commission	The Public Service Commission of South Carolina.
Consortium	The joint venture between Westinghouse Electric Company, LLC and the Shaw Group to construct the Units under the terms of the EPC Contract.
CVBH	The Containment Vessel Bottom Head that forms the bottom of the Containment Vessel.
CWIP	Construction Work in Progress.
CWS	The Circulating Water System—the system that will transport waste heat from the turbines to the cooling towers.
DCD	Design Control Document (a Nuclear Regulatory Commission document).
DSM	Demand Side Management—programs to reduce the demand for electrical capacity and energy.
EIS	An Environmental Impact Statement as required by the National Environmental Policy Act of 1969.
EMD	The sub-contractor for the Reactor Cooling Pump.
EPC Contract	The Engineering, Procurement and Construction Agreement for construction of the Units entered into by SCE&G and Westinghouse/Shaw.
FEIS	A Final Environmental Impact Statement as required by the National Environmental Policy Act of 1969.
FERC	The Federal Energy Regulatory Commission.
Fixed/Firm	Prices under the EPC Contract which are either fixed or are firm but subject to defined escalation rates.
FSER	A Final Safety Evaluation Report—a report by the NRC staff concerning its evaluation of the safety aspects of a nuclear license application.
GDP	Gross Domestic Product.
HL or Hot Leg	That part of the Reactor Cooling Loop that transports steam to the steam generators.

ATTACHMENT 1

GLOSSARY OF ACRONYMS OR DEFINED TERMS

Acronym or Defined Term	Reference
HLD	Heavy Lift Derrick - the derrick that will be erected on site to move large modules and equipment.
IPS	Integrated Project Schedule for licensing and construction of the Units.
ISV	Integrated Systems Validation.
MAB	Module Assembly Building -a building on site where large modules will be constructed and equipment will be prepared for installation in a space that is protected from the elements.
NLC	Nuclear Learning Center - a training facility operated by SCE&G at the Jenkinsville site.
NND	The New Nuclear Deployment Team within SCE&G.
NPDES	National Pollutant Discharge Elimination System
NRC	The United States Nuclear Regulatory Commission.
Opinion	The opinion in South Carolina Energy Users Comm. v. South Carolina Pub. Serv. Comm'n, 388 S.C. 486, 697 S.E.2d 587 (2010).
ORS	South Carolina Office of Regulatory Staff.
Petition	The Petition for Updates and Revisions to Capital Cost Schedules, filed by the Company with the Public Service Commission of South Carolina in Docket No. 210-276-E.
PRA	Probabilistic Risk Assessment.
QA/QC	Quality Assurance/Quality Control.
RAI	Requests for Additional Information issued by the NRC staff to license applicants.
RCL	The Reactor Coolant Loop –the piping and related equipment that transports heat from the reactor to the steam generator.
RCP	The Reactor Cooling Pump which forms part of the Reactor Coolant System.
RCS	The Reactor Coolant System -the complete system for transferring and transporting heat from the reactor to the steam generator.
ROW	Right of way.
SCDHEC	The South Carolina Department of Health and Environmental Control.
SCE&G	South Carolina Electric & Gas Company.
SCEUC	The South Carolina Energy Users Committee.
SER	Safety Evaluation Report—a report by the NRC staff concerning its evaluation of the safety aspects of a nuclear license application.
Shaw	The Shaw Group.
SMS	Shaw Module Solutions, LLC.
SRO-C	Senior Reactor Operator Certification.
Target	Costs under the EPC Contract where targets have been established but where SCE&G pays actual costs as incurred.
Units	V. C. Summer Nuclear Station Units 2 & 3.
VCSNS	V. C. Summer Nuclear Station.
WEC	Westinghouse Electric Company, LLC.
WEC/Shaw or Westinghouse/Shaw	The consortium formed by Westinghouse Electric Company, LLC and the Shaw Group.

APPENDIX 1

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104(A)**

Quarter Ending March 31, 2011

Appendix 1 lists and updates each of the milestones which the Commission adopted as the Approved Construction Schedule for the Units, pursuant to S.C. Code Ann. § 58-33-270(B)(1) in Order No. 2010-12. **Appendix 1** provides columns with the following information:

1. Milestone tracking ID number.
2. The description of the milestone as updated in Order No. 2010-12.
3. The BLRA milestone date, both by year and quarter and the specific calendar date for the milestone, as approved by the Commission in Order No. 2010-12.
4. The current milestone date, both by year and quarter and the specific calendar date for the milestone.
5. For each actual completed milestone, the date by which it was completed. For completed milestones, the milestone entry is shaded in gray.
6. Information showing the number of months, if any, by which a milestone has been shifted.
7. Information as to whether any milestone has been shifted outside of the 18/24 Month Contingency approved by the Commission.
8. Information as to whether any current change in this milestone is anticipated to impact the substantial completion date.
9. Notes.
10. On the final page of the document, there is a chart summarizing milestone completion and movement comparing the current milestone date to the milestone date approved in Order No. 2010-12. This movement is shown for only the milestones that have not been completed.

Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
1	08-2Q-1: Approve Engineering Procurement and Construction Agreement	5/23/2008		5/23/2008		No	No	
2	08-2Q-2: Issue P.O.'s to nuclear component fabricators for Units 2 and 3 Containment Vessels	12/3/2008		12/3/2008		No	No	
3	08-2Q-2: Contractor Issue PO to Passive Residual Heat Removal Heat Exchanger Fabricator - First Payment - Unit 2	8/31/2008		8/18/2008		No	No	
4	08-2Q-2: Contractor Issue PO to Accumulator Tank Fabricator - Unit 2	7/31/2008		7/31/2008		No	No	
5	08-2Q-2: Contractor Issue PO to Core Makeup Tank Fabricator - Units 2 & 3	9/30/2008		9/30/2008		No	No	
6	08-2Q-2: Contractor Issue PO to Squib Valve Fabricator - Units 2 & 3	3/31/2009		3/31/2009		No	No	
7	08-2Q-2: Contractor Issue PO to Steam Generator Fabricator - Units 2 & 3	6/30/2008		5/29/2008		No	No	
8	08-2Q-2: Contractor Issue Long Lead Material PO to Reactor Coolant Pump Fabricator - Units 2 & 3	6/30/2008		6/30/2008		No	No	
9	08-2Q-2: Contractor Issue PO to Pressurizer Fabricator - Units 2 & 3	8/31/2008		8/18/2008		No	No	
10	08-2Q-2: Contractor Issue PO to Reactor Coolant Loop Pipe Fabricator - First Payment - Units 2 & 3	6/30/2008		6/20/2008		No	No	
11	08-2Q-2: Reactor Vessel Internals - Issue Long Lead Material PO to Fabricator - Units 2 and 3	11/21/2008		11/21/2008		No	No	
12	08-2Q-2: Contractor Issue Long Lead Material PO to Reactor Vessel Fabricator - Units 2 & 3	6/30/2008		5/29/2008		No	No	

Color Legend
 = Completed
 = Completed this Quarter
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Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
13	08-2Q-2: Contractor Issue PO to Integrated Head Package Fabricator - Units 2 & 3	7/31/2009		7/31/2009		No	No	
14	08-2Q-2: Control Rod Drive Mechanism Issue PO for Long Lead Material to Fabricator - Units 2 and 3 - first payment	6/21/2008		6/21/2008		No	No	
15	08-2Q-2: Issue P.O.'s to nuclear component fabricators for Nuclear Island structural CA20 Modules	7/31/2009		8/28/2009		No	No	
16	08-3Q-1: Start Site Specific and balance of plant detailed design	9/11/2007		9/11/2007		No	No	
17	08-3Q-2: Instrumentation & Control Simulator - Contractor Place Notice to Proceed - Units 2 & 3	10/31/2008		10/31/2008		No	No	
18	08-3Q-3: Steam Generator - Issue Final PO to Fabricator for Units 2 and 3	6/30/2008		6/30/2008		No	No	
19	08-3Q-3: Reactor Vessel Internals - Contractor Issue PO for Long Lead Material (Heavy Plate and Heavy Forgings) to Fabricator - Units 2 & 3	1/31/2010		1/29/2010		No	No	
20	08-3Q-3: Contractor Issue Final PO to Reactor Vessel Fabricator - Units 2 & 3	9/30/2008		9/30/2008		No	No	
21	08-3Q-4: Variable Frequency Drive Fabricator Issue Transformer PO - Units 2 & 3	4/30/2009		4/30/2009		No	No	
22	08-4Q-1: Start clearing, grubbing and grading	1/26/2009		1/26/2009		No	No	
23	08-4Q-2: Core Makeup Tank Fabricator Issue Long Lead Material PO - Units 2 & 3	10/31/2008		10/31/2008		No	No	
24	08-4Q-2: Accumulator Tank Fabricator Issue Long Lead Material PO - Units 2 & 3	10/31/2008		10/31/2008		No	No	
25	08-4Q-2: Pressurizer Fabricator Issue Long Lead Material PO - Units 2 & 3	10/31/2008		10/31/2008		No	No	

Color Legend

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Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
26	08-4Q-2: Reactor Coolant Loop Pipe - Contractor Issue PO to Fabricator - Second Payment - Units 2 & 3	4/30/2009		4/30/2009		No	No	
27	08-4Q-2: Integrated Head Package - Issue PO to Fabricator - Units 2 and 3 - second payment	7/31/2009		7/31/2009		No	No	
28	08-4Q-2: Control Rod Drive Mechanisms - Contractor Issue PO for Long Lead Material to Fabricator - Units 2 & 3	6/30/2008		6/30/2008		No	No	
29	08-4Q-2: Contractor Issue PO to Passive Residual Heat Removal Heat Exchanger Fabricator - Second Payment - Units 2 & 3	10/31/2008		10/31/2008		No	No	
30	9-1Q-1: Start Parr Road intersection work.	2/13/2009		2/13/2009		No	No	
31	09-1Q-2: Reactor Coolant Pump - Issue Final PO to Fabricator - Units 2 and 3	6/30/2008		6/30/2008		No	No	
32	09-1Q-3: Integrated Heat Packages Fabricator Issue Long Lead Material PO - Units 2 & 3	10/31/2009		10/1/2009		No	No	
33	09-1Q-4: Design Finalization Payment 3	1/31/2009		1/30/2009		No	No	
34	09-2Q-1: Start site development	6/23/2008		6/23/2008		No	No	
35	09-2Q-2: Contractor Issue PO to Turbine Generator Fabricator - Units 2 & 3	2/28/2009		2/19/2009		No	No	
36	09-2Q-2: Contractor Issue PO to Main Transformers Fabricator - Units 2 & 3	9/30/2009		9/25/2009		No	No	
37	09-2Q-3: Core Makeup Tank Fabricator Notice to Contractor Receipt of Long Lead Material - Units 2 & 3	11/30/2010		12/30/2010		No	No	
38	09-2Q-4: Design Finalization Payment 4	4/30/2009		4/30/2009		No	No	
39	09-3Q-1: Turbine Generator Fabricator Issue PO for Condenser Material - Unit 2	8/31/2009		8/28/2009		No	No	

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Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
40	09-3Q-2: Reactor Coolant Pump Fabricator Issue Long Lead Material Lot 2 - Units 2 & 3	4/30/2009		4/30/2009		No	No	
41	09-3Q-2: Passive Residual Heat Removal Heat Exchanger Fabricator Receipt of Long Lead Material - Units 2 & 3	5/31/2010		5/27/2010		No	No	
42	09-3Q-3: Design Finalization Payment 5	7/31/2009		7/31/2009		No	No	
43	09-4Q-1: Start erection of construction buildings, to include craft facilities for personnel, tools, equipment; first aid facilities; field offices for site management and support personnel; temporary warehouses; and construction hiring office.	10/9/2009		12/18/2009		No	No	
44	09-4Q-2: Reactor Vessel Fabricator Notice to Contractor of Receipt of Flange Nozzle Shell Forging - Unit 2	7/31/2009		8/28/2009		No	No	
45	09-4Q-3: Design Finalization Payment 6	10/31/2009		10/7/2009		No	No	
46	09-4Q-4: Instrumentation and Control Simulator - Contractor Issue PO to Subcontractor for Radiation Monitor System - Units 2 & 3	12/31/2009		12/17/2009		No	No	
47	10-1Q-1: Reactor Vessel Internals - Fabricator Start Fit and Welding of Core Shroud Assembly - Unit 2	11-2Q 6/30/2011	11-2Q 6/30/2011			No	No	
48	10-1Q-2: Turbine Generator Fabricator Issue PO for Moisture Separator Reheater/Feedwater Heater Material - Unit 2	4/30/2010		4/30/2010		No	No	
49	10-1Q-3: Reactor Coolant Loop Pipe Fabricator Acceptance of Raw Material - Unit 2	4/30/2010		2/18/2010		No	No	

Color Legend



Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18/-24 Months Contingency?	Substantial Completion Date Impact?	Notes
50	10-2Q-1: Reactor Vessel Internals - Fabricator Start Weld Neutron Shield Spacer Pads to Assembly - Unit 2	11-4Q 10/31/2011	12-1Q 2/28/2012		+4 Month(s)	No	No	Due to schedule re-work and status.
51	10-2Q-2: Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 2	6/30/2009		6/30/2009		No	No	
52	10-2Q-3: Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 2	11/30/2010		12/23/2010		No	No	
53	10-3Q-1: Start excavation and foundation work for the standard plant for Unit 2	3/15/2010		3/15/2010		No	No	
54	10-3Q-2: Steam Generator Fabricator Notice to Contractor of Receipt of 2nd Steam Generator Tubesheet Forging - Unit 2	2/28/2010		4/30/2010		No	No	
55	10-3Q-3: Reactor Vessel Fabricator Notice to Contractor of Outlet Nozzle Welding to Flange Nozzle Shell Completion - Unit 2	2/28/2010		12/30/2010		No	No	
56	10-3Q-4: Turbine Generator Fabricator Notice to Contractor Condenser Fabrication Started - Unit 2	5/31/2010		5/17/2010		No	No	
57	10-4Q-1: Complete preparations for receiving the first module on site for Unit 2.	8/18/2010		1/22/2010		No	No	
58	10-4Q-2: Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Transition Cone Forging - Unit 2	4/30/2010		4/21/2010		No	No	
59	10-4Q-3: Reactor Coolant Pump Fabricator Notice to Contractor of Manufacturing of Casing Completion - Unit 2	11/30/2010		11/16/2010		No	No	

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Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +10-24 Months Contingency?	Substantial Completion Date Impact?	Notes
60	10-4Q-4: Reactor Coolant Loop Pipe Fabricator Notice to Contractor of Machining, Heat Treating & Non-Destructive Testing Completion - Unit 2	10-4Q 12/31/2010	11-2Q 5/31/2011		+5 Month(s)	No	No	Due to schedule re-work and status.
61	11-1Q-1: Core Makeup Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 2	11-2Q 5/31/2011	11-4Q 12/31/2011		+7 Month(s)	No	No	Due to schedule re-work and status.
62	11-1Q-2: Polar Crane Fabricator Issue PO for Main Hoist Drum and Wire Rope - Units 2 & 3	11-1Q 2/28/2011		2/1/2011		No	No	
63	11-2Q-1: Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 3	11-2Q 6/30/2011	11-2Q 6/30/2011			No	No	
64	11-2Q-2: Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 2	11-4Q 10/31/2011	12-1Q 1/31/2012		+3 Month(s)	No	No	Due to schedule re-work and status.
65	11-3Q-1: Start placement of mud mat for Unit 2	11-3Q 7/14/2011	11-4Q 10/28/2011		+3 Month(s)	No	No	Due to schedule refinement and review.
66	11-3Q-2: Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Tubing - Unit 2	1/31/2011		9/28/2010		No	No	
67	11-3Q-3: Pressurizer Fabricator Notice to Contractor of Welding of Upper and Intermediate Shells Completion - Unit 2	10-4Q 10/31/2010	11-2Q 5/31/2011		+7 Month(s)	No	No	Due to schedule re-work and status.
68	11-3Q-4: Reactor Vessel Fabricator Notice to Contractor of Closure Head Cladding Completion - Unit 3	12-1Q 2/28/2012	12-1Q 2/28/2012			No	No	
69	11-4Q-1: Begin Unit 2 first nuclear concrete placement	11-4Q 10/3/2011	11-4Q 10/20/2011			No	No	Due to schedule refinement.

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Appendix 1
VC Summer Units 2 and 3

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
70	11-4Q-2: Reactor Coolant Pump Fabricator Notice to Contractor of Stator Core Completion - Unit 2	11-3Q 9/30/2011	11-4Q 11/30/2011		+2 Month(s)	No	No	Due to schedule re-work and status.
71	11-4Q-3: Fabricator Start Fit and Welding of Core Shroud Assembly - Unit 2	11-2Q 6/30/2011	11-2Q 6/30/2011			No	No	
72	11-4Q-4: Steam Generator Fabricator Notice to Contractor of Completion of 1st Steam Generator Tubing Installation - Unit 2	11-2Q 5/31/2011	11-3Q 9/30/2011		+4 Month(s)	No	No	Due to schedule re-work and status.
73	11-4Q-5: Reactor Coolant Loop Pipe - Shipment of Equipment to Site - Unit 2	12-4Q 12/31/2012	12-4Q 12/31/2012			No	No	
74	11-4Q-6: Control Rod Drive Mechanism - Ship Remainder of Equipment (Latch Assembly & Rod Travel Housing) to Head Supplier - Unit 2	11-4Q 12/31/2011	12-2Q 4/30/2012		+4 Month(s)	No	No	Due to schedule re-work and status.
75	11-4Q-7: Pressurizer Fabricator Notice to Contractor of Welding of Lower Shell to Bottom Head Completion - Unit 2	10-4Q 10/31/2010	11-2Q 6/30/2011		+8 Month(s)	No	No	Due to schedule re-work and status.
76	11-4Q-8: Steam Generator Fabricator Notice to Contractor of Completion of 2nd Steam Generator Tubing Installation - Unit 2	11-2Q 6/30/2011	11-4Q 10/31/2011		+4 Month(s)	No	No	Due to schedule re-work and status.
77	11-4Q-9: Design Finalization Payment 14	11-4Q 10/31/2011	11-4Q 10/31/2011			No	No	
78	12-1Q-1: Set module CA04 for Unit 2	12-1Q 1/27/2012	12-2Q 5/17/2012		+4 Month(s)	No	No	Due to schedule re-work and status.
79	12-1Q-2: Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Final Post Weld Heat Treatment - Unit 2	10-2Q 6/30/2010	11-2Q 4/30/2011		+10 Month(s)	No	No	Due to schedule re-work and status.

Color Legend

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Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18/-24 Months Contingency?	Substantial Completion Date Impact?	Notes
80	12-1Q-3: Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Completion of Tubing - Unit 2	11-1Q 1/31/2011	12-1Q 1/31/2012		+12 Month(s)	No	No	Due to schedule re-work and status.
81	12-1Q-4: Polar Crane Fabricator Notice to Contractor of Girder Fabrication Completion - Unit 2	12-1Q 2/28/2012	12-3Q 7/31/2012		+5 Month(s)	No	No	Due to schedule re-work and status.
82	12-1Q-5: Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 3	13-3Q 8/31/2013	13-3Q 7/31/2013		-1 Month(s)	No	No	Schedule ahead of plan.
83	12-2Q-1: Set Containment Vessel ring #1 for Unit 2	12-2Q 4/3/2012	12-4Q 10/12/2012		+6 Month(s)	No	No	Due to schedule re-work and status.
84	12-2Q-2: Reactor Coolant Pump Fabricator Delivery of Casings to Port of Export - Unit 2	12-1Q 3/31/2012	11-4Q 12/31/2011		-3 Month(s)	No	No	Schedule ahead of plan.
85	12-2Q-3: Reactor Coolant Pump Fabricator Notice to Contractor of Stator Core Completion - Unit 3	13-3Q 8/31/2013	13-1Q 1/31/2013		-7 Month(s)	No	No	Schedule ahead of plan.
86	12-2Q-4: Reactor Vessel Fabricator Notice to Contractor of Receipt of Core Shell Forging - Unit 3	12-3Q 9/30/2012	12-2Q 5/31/2012		-4 Month(s)	No	No	Schedule ahead of plan.
87	12-2Q-5: Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 3	13-1Q 1/31/2013	11-4Q 10/31/2011		-15 Month(s)	No	No	Schedule ahead of plan.
88	12-3Q-1: Set Nuclear Island structural module CA03 for Unit 2	12-3Q 8/30/2012	13-1Q 2/28/2013		+6 Month(s)	No	No	Due to schedule re-work and status.
89	12-3Q-2: Squib Valve Fabricator Notice to Contractor of Completion of Assembly and Test for Squib Valve Hardware - Unit 2	12-2Q 5/31/2012	12-2Q 5/31/2012			No	No	
90	12-3Q-3: Accumulator Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 3	12-4Q 12/31/2012	12-4Q 11/30/2012		-1 Month(s)	No	No	Schedule ahead of plan.

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Appendix 1
VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18/-24 Months Contingency?	Substantial Completion Date Impact?	Notes
91	12-3Q-4: Polar Crane Fabricator Notice to Contractor of Electric Panel Assembly Completion - Unit 2	12-3Q 7/31/2012	12-2Q 6/30/2012		-1 Month(s)	No	No	Schedule ahead of plan.
92	12-4Q-1: Start containment large bore pipe supports for Unit 2	12-2Q 4/9/2012	12-3Q 8/31/2012		+4 Month(s)	No	No	Due to schedule re-work and status.
93	12-4Q-2: Integrated Head Package - Shipment of Equipment to Site - Unit 2	12-4Q 10/31/2012	13-1Q 2/28/2013		+4 Month(s)	No	No	Due to schedule re-work and status.
94	12-4Q-3: Reactor Coolant Pump Fabricator Notice to Contractor of Final Stator Assembly Completion - Unit 2	12-4Q 11/30/2012	12-4Q 11/30/2012			No	No	
95	12-4Q-4: Steam Generator Fabricator Notice to Contractor of Completion of 2nd Steam Generator Tubing Installation - Unit 3	13-2Q 5/31/2013	13-2Q 4/30/2013		-1 Month(s)	No	No	Schedule ahead of plan.
96	12-4Q-5: Steam Generator Fabricator Notice to Contractor of Satisfactory Completion of 1st Steam Generator Hydrotest - Unit 2	12-2Q 5/31/2012	12-3Q 7/31/2012		+2 Month(s)	No	No	Due to schedule re-work and status.
97	13-1Q-1: Start concrete fill of Nuclear Island structural modules CA01 and CA02 for Unit 2	13-1Q 2/26/2013	13-3Q 8/30/2013		+6 Month(s)	No	No	Due to schedule re-work and status.
98	13-1Q-2: Passive Residual Heat Removal Heat Exchanger - Delivery of Equipment to Port of Entry - Unit 2	12-2Q 4/30/2012	12-2Q 4/30/2012			No	No	
99	13-1Q-3: Refueling Machine Fabricator Notice to Contractor of Satisfactory Completion of Factory Acceptance Test - Unit 2	13-1Q 2/28/2013	12-3Q 9/30/2012		-5 Month(s)	No	No	Schedule ahead of plan.
100	13-1Q-4: Deliver Reactor Vessel Internals to Port of Export - Unit 2	13-3Q 7/31/2013	13-4Q 11/30/2013		+4 Month(s)	No	No	Due to schedule re-work and status.
101	13-2Q-1: Set Unit 2 Containment Vessel #3	13-2Q 4/17/2013	13-4Q 10/17/2013		+6 Month(s)	No	No	Due to schedule re-work and status.

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11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
102	13-2Q-2: Steam Generator - Contractor Acceptance of Equipment at Port of Entry - Unit 2	13-1Q 3/31/2013	13-1Q 1/31/2013		-2 Month(s)	No	No	Schedule ahead of plan.
103	13-2Q-3: Turbine Generator Fabricator Notice to Contractor Turbine Generator Ready to Ship - Unit 2	13-2Q 4/30/2013	13-1Q 3/31/2013		-1 Month(s)	No	No	Schedule ahead of plan.
104	13-2Q-4: Pressurizer Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 3	14-1Q 2/28/2014	13-3Q 9/30/2013		-5 Month(s)	No	No	Schedule ahead of plan.
105	13-2Q-5: Polar Crane - Shipment of Equipment to Site - Unit 2	13-2Q 5/31/2013	13-4Q 11/30/2013		+6 Month(s)	No	No	Due to schedule re-work and status.
106	13-2Q-6: Receive Unit 2 Reactor Vessel on site from fabricator	13-2Q 5/20/2013	13-4Q 11/21/2013		+6 Month(s)	No	No	Due to schedule re-work and status.
107	13-3Q-1: Set Unit 2 Reactor Vessel	13-2Q 6/18/2013	13-4Q 12/19/2013		+6 Month(s)	No	No	Due to schedule re-work and status.
108	13-3Q-2: Steam Generator Fabricator Notice to Contractor of Completion of 2nd Channel Head to Tubesheet Assembly Welding - Unit 3	13-4Q 12/31/2013	13-4Q 11/30/2013		-1 Month(s)	No	No	Schedule ahead of plan.
109	13-3Q-3: Reactor Coolant Pump Fabricator Notice to Contractor of Final Stator Assembly Completion - Unit 3	14-3Q 8/31/2014	14-2Q 4/30/2014		-4 Month(s)	No	No	Schedule ahead of plan.
110	13-3Q-4: Reactor Coolant Pump - Shipment of Equipment to Site (2 Reactor Coolant Pumps) - Unit 2	13-3Q 9/30/2013	13-3Q 8/31/2013		-1 Month(s)	No	No	Schedule ahead of plan.
111	13-3Q-5: Place first nuclear concrete for Unit 3	13-3Q 8/1/2013	13-3Q 8/2/2013			No	No	Due to schedule refinement.
112	13-4Q-1: Set Unit 2 Steam Generator	13-3Q 9/9/2013	14-1Q 3/24/2014		+6 Month(s)	No	No	Due to schedule re-work and status.
113	13-4Q-2: Main Transformers Ready to Ship - Unit 2	13-3Q 9/30/2013	13-2Q 6/30/2013		-3 Month(s)	No	No	Schedule ahead of plan.

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VC Summer Units 2 and 3

11-1Q

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
114	13-4Q-3: Complete Unit 3 Steam Generator Hydrotest at fabricator	14-1Q 2/28/2014	14-1Q 3/31/2014		+1 Month(s)	No	No	Due to schedule re-work and status.
115	13-4Q-4: Set Unit 2 Containment Vessel Bottom Head on basemat legs	11-4Q 11/21/2011	12-1Q 3/29/2012		+4 Month(s)	No	No	Due to schedule re-work and status.
116	14-1Q-1: Set Unit 2 Pressurizer Vessel	14-1Q 1/24/2014	14-3Q 8/5/2014		+7 Month(s)	No	No	Due to schedule re-work and status.
117	14-1Q-2: Reactor Coolant Pump Fabricator Notice to Contractor of Satisfactory Completion of Factory Acceptance Test - Unit 3	15-1Q 2/28/2015	15-1Q 3/31/2015		+1 Month(s)	No	No	Due to schedule re-work and status.
118	14-1Q-3: Deliver Reactor Vessel Internals to Port of Export - Unit 3	15-2Q 6/30/2015	15-3Q 9/30/2015		+3 Month(s)	No	No	Due to schedule re-work and status.
119	14-1Q-4: Main Transformers Fabricator Issue PO for Material - Unit 3	14-2Q 4/30/2014	14-2Q 4/30/2014			No	No	
120	14-2Q-1: Complete welding of Unit 2 Passive Residual Heat Removal System piping	14-1Q 3/19/2014	14-3Q 9/30/2014		+6 Month(s)	No	No	Due to schedule re-work and status.
121	14-2Q-2: Steam Generator - Contractor Acceptance of Equipment at Port of Entry - Unit 3	15-2Q 4/30/2015	15-1Q 2/28/2015		-2 Month(s)	No	No	Schedule ahead of plan.
122	14-2Q-3: Refueling Machine - Shipment of Equipment to Site - Unit 3	14-2Q 5/31/2014	14-2Q 5/31/2014			No	No	
123	14-3Q-1: Set Unit 2 Polar Crane	14-2Q 4/3/2014	14-3Q 9/24/2014		+5 Month(s)	No	No	Due to schedule re-work and status.
124	14-3Q-2: Reactor Coolant Pumps - Shipment of Equipment to Site - Unit 3	15-2Q 6/30/2015	15-3Q 8/31/2015		+2 Month(s)	No	No	Due to schedule re-work and status.
125	14-3Q-3: Main Transformers Ready to Ship - Unit 3	14-3Q 9/30/2014	15-1Q 1/31/2015		+4 Month(s)	No	No	Due to schedule re-work and status.
126	14-4Q-1: Spent Fuel Storage Rack - Shipment of Last Rack Module - Unit 3	14-4Q 12/31/2014	14-2Q 6/30/2014		-6 Month(s)	No	No	Schedule ahead of plan.
127	15-1Q-1: Start electrical cable pulling in Unit 2 Auxillary Building	14-4Q 12/26/2014	15-3Q 7/13/2015		+7 Month(s)	No	No	Due to schedule re-work and status.

Color legend  = Completed  = Completed this Quarter  = Movement in Days Only

Appendix 1
VC Summer Units 2 and 3

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
128	15-1Q-2: Complete Unit 2 Reactor Coolant System cold hydro	15-3Q 8/3/2015	15-3Q 9/1/2015		+1 Month(s)	No	No	Due to schedule refinement and review.
129	15-2Q-1: Activate class 1E DC power in Unit 2 Auxiliary Building.	15-1Q 3/5/2015	14-4Q 12/5/2014		-3 Month(s)	No	No	Schedule ahead of plan.
130	15-3Q-1: Complete Unit 2 hot functional test.	15-3Q 9/21/2015	15-4Q 12/15/2015		+3 Month(s)	No	No	Due to schedule refinement and review.
131	15-3Q-2: Install Unit 3 ring 3 for containment vessel	15-3Q 7/30/2015	15-2Q 4/15/2015		-3 Month(s)	No	No	Schedule ahead of plan.
132	15-4Q-1: Load Unit 2 nuclear fuel	15-4Q 10/28/2015	16-1Q 3/8/2016		+5 Month(s)	No	No	Due to schedule refinement and review.
133	16-1Q-1: Unit 2 Substantial Completion	16-2Q 4/1/2016	16-2Q 4/1/2016			No	No	
134	16-2Q-1: Set Unit 3 Reactor Vessel	15-4Q 10/1/2015	15-2Q 6/16/2015		-4 Month(s)	No	No	Schedule ahead of plan.
135	16-3Q-1: Set Unit 3 Steam Generator #2	15-4Q 12/22/2015	15-4Q 10/16/2015		-2 Month(s)	No	No	Schedule ahead of plan.
136	16-4Q-1: Set Unit 3 Pressurizer Vessel	16-2Q 5/16/2016	16-1Q 3/9/2016		-2 Month(s)	No	No	Schedule ahead of plan.
137	16-4Q-1: Complete welding of Unit 3 Passive Residual Heat Removal System piping	16-2Q 6/20/2016	16-2Q 5/3/2016		-1 Month(s)	No	No	Schedule ahead of plan.
138	17-2Q-1: Set Unit 3 polar crane	16-3Q 7/18/2016	16-2Q 4/27/2016		-3 Month(s)	No	No	Schedule ahead of plan.
139	17-3Q-1: Start Unit 3 Shield Building roof slab rebar placement	17-1Q 1/16/2017	16-4Q 10/13/2016		-3 Month(s)	No	No	Schedule ahead of plan.
140	17-4Q-1: Start Unit 3 Auxiliary Building electrical cable pulling	17-2Q 4/6/2017	17-1Q 2/8/2017		-2 Month(s)	No	No	Schedule ahead of plan.
141	18-1Q-1: Activate Unit 3 Auxiliary Building class 1E DC power	17-2Q 6/9/2017	16-3Q 7/1/2016		-11 Month(s)	No	No	Schedule ahead of plan.
142	18-2Q-1: Complete Unit 3 Reactor Coolant System cold hydro	18-1Q 1/1/2018	17-4Q 11/17/2017		-2 Month(s)	No	No	Schedule ahead of plan.

Color Legend

 = Completed

 = Completed this Quarter

 = Movement in Days Only

Appendix 1
VC Summer Units 2 and 3

Tracking ID	Order No. 2010-12 Description	Order No. 2010-12 Date	11-1Q Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Order No. 2010-12 Date	Outside +18-24 Months Contingency?	Substantial Completion Date Impact?	Notes
143	18-2Q-1: Complete Unit 3 hot functional test	18-1Q 2/15/2018	18-1Q 3/8/2018		+1 Month(s)	No	No	Due to schedule refinement and review.
144	18-3Q-1: Complete Unit 3 nuclear fuel load	18-3Q 7/31/2018	18-3Q 7/12/2018			No	No	Due to schedule refinement.
145	18-4Q-1: Begin Unit 3 full power operation	18-4Q 10/31/2018	18-4Q 11/15/2018		+1 Month(s)	No	No	Due to schedule refinement and review.
146	19-1Q-1: Unit 3 Substantial Completion	19-1Q 1/1/2019	19-1Q 1/1/2019			No	No	
<p>SUMMARY</p> <p>Total Milestones Completed 59 out of 146 = 40%</p> <p>Milestone Movement - Order No. 2010-12 vs. 11-1Q:</p> <p>a) Forward Movement 42 out of 146 = 29%</p> <p>b) Backward Movement 29 out of 146 = 20%</p> <p>Milestones Within +12 to +17 Month range 1 out of 146 = 1%</p>								

Color Legend  = Completed  = Completed this Quarter  = Movement in Days Only

APPENDIX 2

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104(A)**

Quarter Ending March 31, 2011

Appendix 2, Chart A is an updated and expanded version of the information contained in the capital cost schedule approved by the Commission in Order No. 2011-345.

Appendix 2, Chart A shows:

1. The actual expenditures on the project by plant cost category through the current period.
2. The changes in capital costs reflecting the Company's current forecast of expenditures on the project for each future period by plant cost category. In updating its cost projections the Company has used the current construction schedule for the project and the Commission-approved inflation indices as set forth in **Appendix 4** to this report.
3. The cumulative Construction Work in Progress for the project and the balance of Construction Work in Progress that is not yet reflected in revised rates.
4. The current rate for calculating AFUDC computed as required under applicable FERC regulations.

The Cumulative Project Cash Flow target as approved in Order No. 2011-345 and as updated for escalation and other Commission-approved adjustments is found under the heading "**Per Order 2011-345 Adjusted.**" The adjustments reflect:

1. Changes in inflation indices.
2. Budget Carry-forward Adjustments used, where appropriate to track the effect of lower-than-expected cumulative costs on the future cumulative cash flow of the project.

Chart A of Appendix 2 also shows the cumulative cash flow for the project based on actual expenditures to date and the current construction schedule and forecast of year-by-year cost and going forward. This information is found under the heading "**Actual through March 2011, plus Projected.**"

Chart B of Appendix 2 provides a comparison of the adjusted Cumulative Project Cash Flow target for the project with the actual and forecasted cash flow for the project.

Appendix 2, Chart A

RESTATED and UPDATED CONSTRUCTION EXPENDITURES

(Thousands of \$)

V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

	Total	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Per Order 2011-345 Adjusted													
Annual Project Cash Flow(per order)	5,531,259	21,723	100,905	340,003	398,552	497,994	856,993	871,748	664,760	627,604	494,501	304,676	351,800
Capital Cost Rescheduling Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget Carry-Forward Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	5,531,259	21,723	100,905	340,003	398,552	497,994	856,993	871,748	664,760	627,604	494,501	304,676	351,800
Adjusted for Change in Escalation	5,369,501	21,723	100,905	340,003	398,552	483,304	831,389	851,185	645,654	607,073	472,046	289,168	328,500
Cumulative Project Cash Flow(Target)	21,723	122,628	462,631	861,183	1,344,487	2,175,876	3,027,060	3,872,714	4,279,787	4,751,833	5,041,001	5,369,501	
Actual through March 2011* plus Projected													
Plant Cost Categories													
Fixed with No Adjustment													
Firm with Fixed Adjustment A													
Firm with Fixed Adjustment B													
Firm with Indexed Adjustment													
Actual Craft Wages													
Non-Labor Costs													
Time & Materials													
Owners Costs													
Transmission Costs	321,591	-	26	724	927	7,209	7,775	12,095	29,822	35,236	43,035	73,678	111,064
Total Base Project Costs(2007 \$)	4,270,301	21,723	97,386	319,073	374,810	422,345	707,449	680,962	475,112	441,039	326,482	192,952	210,966
Total Project Escalation	1,106,719	-	3,519	20,930	23,741	40,611	139,022	185,911	160,246	169,097	149,945	95,902	117,796
Total Revised Project Cash Flow	5,377,020	21,723	100,905	340,003	398,551	462,956	846,471	866,872	635,358	610,137	476,427	288,854	328,762
Cumulative Project Cash Flow(Revised)		21,723	122,629	462,632	861,183	1,324,139	2,170,610	3,037,482	3,672,840	4,282,977	4,759,404	5,048,258	5,377,020
AFUDC(Capitalized Interest)	246,515	645	3,497	10,564	17,150	20,320	30,788	43,465	36,834	29,867	20,715	16,350	16,320
Gross Construction	5,623,535	22,368	104,403	350,567	415,701	483,275	877,259	910,337	672,192	640,004	497,143	305,205	345,082
Construction Work in Progress		22,368	126,771	477,338	893,039	1,376,314	2,253,573	3,163,910	3,836,102	4,476,106	4,973,248	5,278,453	5,623,535
CWIP Currently in Rates													
March 31, 2011 Actual Incremental CWIP Not Currently in Rates													

*Applicable index escalation rates for 2011 are estimated. Escalation is subject to restatement when actual indices for 2011 are final.

Notes:

2011-2018 AFUDC rate applied

5.87%

The AFUDC rate applied is the current SCE&G rate. AFUDC rates can vary with changes in market interest rates. SCE&G's embedded cost of capital, capitalization ratios, construction work in process, and SCE&G's short-term debt outstanding

Appendix 2, Chart B

RESTATED and UPDATED CONSTRUCTION EXPENDITURES

(Thousands of \$)

V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total												
Annual Project Cash Flow(per order)	5,904,403	21,723	100,905	348,513	452,925	542,833	816,348	880,021	752,028	673,979	543,181	410,979
Capital Cost Rescheduling Contingency	-	-	-	-	-	-	-	-	-	-	-	-
Net	5,904,403	21,723	100,905	348,513	452,925	542,833	816,348	880,021	752,028	673,979	543,181	410,979
Project Cash Flow Target	5,369,501	21,723	100,905	340,003	398,552	483,304	831,389	851,185	645,654	607,073	472,046	328,500
Total Revised Project Cash Flow	5,377,020	21,723	100,905	340,003	398,551	462,956	846,471	866,872	635,358	610,137	476,427	328,762
Comparison of Revised Cash Flow to Target												
Year over Year Change	7,519	-	0	0	(1)	(20,348)	15,082	15,687	(10,296)	3,064	4,382	(314)
Cumulative Revised Project Cash Flow	21,723	122,628	462,632	861,183	1,324,138	2,170,609	3,037,481	3,672,840	4,282,976	4,759,404	5,048,258	5,377,020
Cumulative Project Cash Flow(Target)	21,723	122,628	462,631	861,183	1,344,487	2,175,876	3,027,060	3,672,714	4,279,787	4,751,833	5,041,001	5,369,501
Timing Adj.on EPC Billing Methodology	-	-	-	-	(1,384)	-	-	-	-	-	-	-
Adjusted Cumulative target	21,723	122,628	462,631	861,183	1,343,103	2,174,491	3,025,676	3,671,330	4,278,403	4,750,449	5,039,617	5,368,116
Over/(Under)	-	0	1	(0)	(18,964)	(3,882)	11,805	1,510	4,573	8,955	8,641	8,903

APPENDIX 3

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104(A)**

Quarter Ending March 31, 2011

For comparison purposes, **Appendix 3** provides the schedule of capital costs for the project which was approved by the Commission in Order No. 2011-345 as the Approved Capital Cost of the Units, pursuant to S.C. Code Ann. § 58-33-270(B)(2). **Appendix 3** also reflects the forecast of AFUDC expense based on these adjusted schedules and the AFUDC rates that were current at the time of Order No. 2011-345. **Appendix 3** is intended to provide a fixed point of reference for future revisions and updating. While the schedule of costs contained on **Appendix 3** is subject to revision for escalation, changes in AFUDC rates and amounts, capital cost scheduling contingencies and other contingency adjustments as authorized in Order No. 2009-104(A), no such adjustments have been made to the schedules presented here.

Appendix 3

RESTATEd and UPDATED CONSTRUCTION EXPENDITURES
(Thousands of \$)

V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

Per Order 2011-345

	Actual						Projected					
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Plant Cost Categories												
Fixed with No Adjustment		26	724	884	7,252	7,775	12,095	29,822	35,236	43,035	73,678	111,064
Firm with Fixed Adjustment A												
Firm with Fixed Adjustment B												
Firm with Indexed Adjustment												
Actual Craft Wages												
Non-Labor Costs												
Time & Materials												
Owners Costs												
Transmission Costs												
Total Base Project Costs(2007 \$)	321,591	97,386	319,073	377,225	440,602	696,093	669,056	483,136	438,767	323,231	193,183	210,926
Total Project Escalation	-	3,519	20,930	21,327	57,391	160,900	202,693	181,623	188,837	171,270	111,492	140,874
Total Revised Project Cash Flow	21,723	100,905	340,003	398,552	497,994	856,993	871,748	664,760	627,604	494,501	304,676	351,800
Cumulative Project Cash Flow(Revised)	21,723	122,629	462,632	861,184	1,359,178	2,216,171	3,087,919	3,752,678	4,380,283	4,874,784	5,179,460	5,531,259
AFUDC(Capitalized Interest)	645	3,497	10,564	17,150	24,188	32,098	42,559	37,585	30,731	21,543	17,561	17,564
Construction Work in Progress	22,368	126,771	477,338	893,040	1,415,221	2,304,312	3,218,618	3,920,963	4,579,298	5,095,342	5,417,579	5,786,943

APPENDIX 4

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104(A)**

Quarter Ending March 31, 2011

Appendix 4 shows the changes in the inflation indices approved in Order No. 2009-104(A). Included is a ten year history of the Handy Whitman All Steam Index, South Atlantic Region; the Handy Whitman All Steam and Nuclear Index, South Atlantic Region; Handy Whitman All Transmission Plant Index, South Atlantic Region; and the Chained GDP Index. The change in the relevant indices from the Combined Application is also provided.

Appendix 4, Chart A

Inflation Indices, Chart A

HW All Steam Generation Plant Index, January 2011

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three Year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2011	554	3.36%	2.30%	4.73%	4.45%
2010	536	-1.29%	3.89%	5.21%	
2009	543	4.83%	7.19%	7.19%	
2008	518	8.14%	7.50%	6.65%	
2007	479	8.62%	7.66%	5.51%	
2006	441	5.76%	5.49%	4.17%	
2005	417	8.59%	4.39%	3.42%	
2004	384	2.13%	2.17%		
2003	376	2.45%	2.13%		
2002	367	1.94%			
2001	360	1.98%			
2000	353				

BLRA Filing Jul-07
7.68% 5.74%

Order 2010-12 Jan-09	Order 2011-345 Jul-10	Update Jan-11
-------------------------	--------------------------	------------------

HW All Steam Index:
One year
Five Year

4.83%	4.79%	3.36%
7.19%	5.31%	4.73%

Appendix 4, Chart B

Inflation Indices, Chart B

HW All Steam and Nuclear Generation Plant Index, January 2011

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three Year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2011	553	3.17%	2.30%	4.74%	4.46%
2010	536	-1.11%	3.89%	5.26%	
2009	542	4.84%	7.21%	7.20%	
2008	517	7.93%	7.52%	6.66%	
2007	479	8.86%	7.75%	5.57%	
2006	440	5.77%	5.51%	4.19%	
2005	416	8.62%	4.40%	3.43%	
2004	383	2.13%	2.18%		
2003	375	2.46%	2.13%		
2002	366	1.95%			
2001	359	1.99%			
2000	352				

HW All Steam/Nuclear Index:

One year
Five Year

BLRA Filing Jul-07
7.69% 5.75%

Order 2010-12
Jan-09

Order 2011-345
Jul-10

Update
Jan-11

4.84%
7.20%

4.60%
5.32%

3.17%
4.74%

Appendix 4, Chart C

Inflation Indices, Chart C

HW All Transmission Plant Index, January 2011

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three Year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2011	564	1.44%	1.57%	4.33%	4.55%
2010	556	-4.14%	3.68%	5.74%	
2009	580	7.41%	8.11%	8.60%	
2008	540	7.78%	8.48%	7.71%	
2007	501	9.15%	9.27%	6.10%	
2006	459	8.51%	7.21%	4.76%	
2005	423	10.16%	4.28%	3.51%	
2004	384	2.95%	1.72%		
2003	373	-0.27%	1.48%		
2002	374	2.47%			
2001	365	2.24%			
2000	357				

BLRA Filing Jul-07	Order 2010-12 Jan-09	Order 2011-345 Jul-10	Update Jan-11
8.82%	7.41%	5.08%	1.44%
6.86%	8.60%	5.23%	4.33%

HW All Transmission Plant Index
One year
Five Year

Appendix 4

Inflation Indices, Chart D

GDP Chained Price Index, 2011

SERIES TYPE	UNIT	SHORT LABEL	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Chained Price Index--Gross Domestic Product													
U.S. Macro - 10 Year Baseline (2005=100) Chained price index-gross domestic product , Source: BEA , Units: index- 2005=100.0													
Annual Percent change			88.65	90.65	92.11	94.10	96.77	100.00	103.26	106.30	108.60	109.62	110.67
3-Year Annual Percent change			2.17%	2.26%	1.61%	2.16%	2.84%	3.34%	3.26%	2.94%	2.16%	0.94%	0.96%
5-Year Annual Percent change					2.01%	2.01%	2.20%	2.78%	3.14%	3.18%	2.79%	2.01%	1.35%
10-Year Annual Percent change							2.21%	2.44%	2.64%	2.91%	2.91%	2.53%	2.05%
Consumer Price Index, All-Urban													
Index Consumer price index, all-urban , Source: BLS , Units: - 1982-84=1.00													
U.S. Macro - 10 Year Baseline			1.72	1.77	1.80	1.84	1.89	1.95	2.02	2.07	2.15	2.15	2.18
Percent change			3.37%	2.82%	1.60%	2.30%	2.67%	3.37%	3.23%	2.86%	3.69%	0.00%	1.40%
3-Year Annual Percent change					2.59%	2.24%	2.19%	2.78%	3.09%	3.15%	3.26%	2.17%	1.68%
5-Year Annual Percent change							2.55%	2.55%	2.63%	2.88%	3.16%	2.62%	2.23%
10-Year Annual Percent change													2.39%
Producer Price Index--Finished Goods													
U.S. Macro - 10 Year Baseline (1982=1.0) Producer price index-finished goods , Source: BLS , Units: index- 1982=1.0													
U.S. Macro - 10 Year Baseline			1.38	1.41	1.39	1.43	1.49	1.56	1.60	1.67	1.77	1.73	1.80
Percent change			3.76%	1.94%	-1.30%	3.18%	3.98%	4.70%	2.56%	4.38%	5.99%	-2.26%	4.05%
3-Year Annual Percent change					1.44%	1.26%	1.93%	3.95%	3.74%	3.87%	4.30%	2.64%	2.53%
5-Year Annual Percent change							2.29%	2.48%	2.60%	3.76%	4.31%	3.03%	2.90%
10-Year Annual Percent change													2.69%

BLRA Filing Jul-07
2.66%
2.81%

Order 2010-12
Jan-09

Order 2011-345
Jul-10

Update
Jan-11

GDP Chained Price Index

One Year
Five Year

2.24%

2.86%

0.43%

1.97%

0.96%

2.05%

SOUTH CAROLINA ELECTRIC & GAS COMPANY

Allocation of Base Load Review Increase

2010 Peak Demand Summary Allocations

<u>Class</u>	<u>Firm KW Demand</u>	<u>Overall Ratios</u>
RES	1,983,702	45.65%
SGS	744,545	17.13%
MGS	444,262	10.22%
LGS	989,331	22.77%
RETAIL	4,161,840	95.77%
WHS	183,745	4.23%
TOTAL	4,345,585	100.00%

Total Revenue Requirement:

\$ 61,122,183

Breakdown of Class Increases

	<u>Retail Ratios</u>	<u>Allocated Increase</u>
RES	47.66%	\$ 27,898,598
SGS	17.89%	\$ 10,472,218
MGS	10.68%	\$ 6,251,721
LGS	23.77%	\$ 13,914,177
RETAIL	100.00%	\$ 58,536,714

Capitalization Ratios and Cost of Capital

SOUTH CAROLINA ELECTRIC & GAS COMPANY / S.C. FUEL COMPANY
REGULATORY CAPITALIZATION RATIOS FOR ELECTRIC OPERATIONS
AS OF MARCH 31, 2011 - ADJUSTED

	AMOUNT	RATIO	EMBEDDED COSTS	WEIGHTED AVERAGE COST OF CAPITAL	GROSS OF TAX
Long-Term Debt	\$ 2,915,425,000	45.42%	6.27%	2.85%	2.85%
Preferred Stock	\$ 100,000	0.00%	0.00%	0.00%	0.00%
Common Equity	<u>\$ 3,503,747,955</u>	<u>54.58%</u>	11.00%	<u>6.00%</u>	<u>9.76%</u>
Total Capitalization	<u>\$ 6,419,272,955</u>	<u>100.00%</u>		<u>8.85%</u>	<u>12.61%</u>

* March 2011 actual adjusted for actual debt issuance and planned equity transfers through June 30, 2011:

May 24, 2011	\$ 100,000,000	SCE&G First Mortgage Bonds; sold May 17th, Issued May 24th
June 30, 2011 Projected	\$ 23,638,500	Additional Equity transfers planned by June 30 from Stock Plans

**South Carolina Electric & Gas Company
Base Load Review Act Revised Rates Filing
May 30, 2011
(Thousands of \$)**

(SCE&G Allocation Only)

CWIP Currently in Rates as of June 30, 2010	\$ 663,471
Incremental Actual additions to Plant through March 31, 2011	\$ 331,105
Incremental Actual AFUDC through March 31, 2011	\$ 12,697
Incremental Projected Additions to Plant April 1 through June 30, 2011	\$ 135,005
Incremental Projected AFUDC April 1 through June 30, 2011	<u>\$ 5,905</u>
Projected CWIP as of June 30, 2011	\$ 1,148,183
Incremental CWIP	<u>\$ 484,712</u>
Gross Cost of Capital	<u>12.61%</u>
Incremental Revenue Requirement	<u>\$ 61,122</u>
Allocation Factor for Retail Operation	<u>95.77%</u>
Allocated Retail Revenue Increase	<u>\$ 58,537</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY

RATE DESIGN SUMMARY
INCREASE ON APPROVED RATES

RATE CLASS	APPROVED REVENUE ¹	PROPOSED REVENUE	\$ CHANGE	% CHANGE
	COL. 1	COL. 2	COL. 3	COL. 4
RESIDENTIAL	\$ 984,630,062	\$ 1,012,528,615	\$ 27,898,553	2.83%
SMALL GENERAL SERVICE	\$ 392,687,572	\$ 403,159,775	\$ 10,472,203	2.67%
MEDIUM GENERAL SERVICE	\$ 234,204,519	\$ 240,455,880	\$ 6,251,361	2.67%
LARGE GENERAL SERVICE	\$ 558,579,068	\$ 572,493,231	\$ 13,914,163	2.49%
RETAIL TOTAL (EXCLUDING LIGHTING)	\$ 2,170,101,221	\$ 2,228,637,501	\$ 58,536,280	2.70%

¹ - Approved revenue reflects current rates plus known adjustments approved by the Public Service Commission of South Carolina in Docket Numbers 2009-489-E and 2011-49-E. More specifically, the expiration of the Rate Reduction Rider (Weather Normalization Related) and the adjustment to SCE&G's Rider to Retail Rates - Demand Side Management Component as recently approved by the Commission.

EXHIBIT F

SOUTH CAROLINA ELECTRIC & GAS COMPANY PROPOSED ELECTRIC RATE SCHEDULES

Listed are the proposed electric rate schedules included as follows:

<u>Rate</u>	<u>Description</u>
1	Good Cents Residential Service
2	Low Use Residential Service
3	Municipal Power Service
5	Time-of-Use Residential Service
6	Energy Saver / Conservation Residential Service
7	Time-of-Use Demand Residential Service
8	Residential Service
9	General Service
10	Small Construction Service
11	Irrigation Service
12	Church Service
13	Municipal Lighting Service
14	Farm Service
15	Supplementary and Standby Service
16	Time-of-Use General Service
19	Concurrent Demand Time-of-Use General Service
20	Medium General Service
	Rider to Rates 20 & 23 – Service for Cool Thermal Storage
21	General Service Time-of-Use Demand
21A	Experimental Program – General Service Time-of-Use Demand
22	School Service
23	Industrial Power Service
24	Large General Service Time-of-Use
28	Small General Service Time-of-Use Demand (Experimental)
	Contract Rates

RATE 1

RESIDENTIAL SERVICE
GOOD CENTS RATE

AVAILABILITY

Effective January 15, 1996 this schedule is closed and not available to any new structure.

This rate is available to customers who meet the Company's Good Cents requirements and use the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residence and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CERTIFICATION REQUIREMENTS

Prior to construction, the customer or prospective customer must contact the Company to ascertain the requirements of the Good Cents Program and to arrange for on-site inspections for compliance.

The dwelling unit must be certified by the Company to meet or exceed the Company's Good Cents Program requirements in force at the time of application in order to qualify for service under this rate schedule.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

	<u>Summer</u> (Billing Months June-September)	<u>Winter</u> (Billing Months October-May)
Basic Facilities Charge:	\$ 8.50	\$ 8.50
Plus Energy Charge:		
First 800 kWh @	\$ 0.11679 per kWh	\$ 0.11679 per kWh
Excess over 800 kWh @	\$ 0.12848 per kWh	\$ 0.11212 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03655 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00044 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when customer pays the difference in costs between non-standard service and standard service or pays the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 2

LOW USE RESIDENTIAL SERVICE

AVAILABILITY

This rate is available to customers that meet the special conditions listed below, and are served by the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

SPECIAL CONDITIONS OF SERVICE

- 1) This rate schedule is available to those accounts where the consumption has not exceeded 400 kWh for each of the twelve billing months preceding the billing month service is to be initially billed under this rate schedule. The customer must have occupied the dwelling unit for the entire time necessary to determine eligibility under this rate schedule.
- 2) Consumption during a billing period of more than 30 days, used to determine eligibility under this rate schedule, shall be adjusted to a 30 day billing period by application of a fraction, the numerator of which shall be 30 and the denominator of which shall be the actual number of days in the billing period.
- 3) The second billing month within a twelve billing month period that consumption under this rate schedule exceeds 400 kWh will terminate eligibility under this rate schedule.
- 4) Service will be billed under the previous rate schedule the next twelve billing periods before the customer will again be eligible for the Low Use Rate.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

Basic Facilities Charge: \$ 8.50

Plus Energy Charge:

All kWh @ \$ 0.09138 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$ 0.03655 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$ 0.00044 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 3

MUNICIPAL
POWER SERVICE

AVAILABILITY

This rate is available to municipal customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. This includes all municipally owned and operated facilities for power purposes including, but not restricted to public buildings and pumping stations. It is not available for resale or standby service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge: \$ 19.00

Plus Energy Charge:

All kWh @ \$ 0.10364 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

Service shall not be supplied under this rate for establishments of a commercial nature, nor to operations primarily non-municipal. Under no conditions will the Company allow the service to be resold to or shared with others.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than ten (10) years. Contracts shall be written for a period of not less than ten (10) years.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 5

RESIDENTIAL SERVICE
TIME OF USE
(Page 1 of 2)

AVAILABILITY

This rate is available on a voluntary basis to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

I. Summer Months of June-September

A. Basic Facilities Charge:	\$ 12.50
B. Energy Charge:	
All on-peak kWh @	\$ 0.27116 per kWh
All off-peak kWh @	\$ 0.09223 per kWh

C. Minimum Bill:

The monthly minimum charge shall be the basic facilities charge

II. Winter Months of October-May

A. Basic Facilities Charge:	\$ 12.50
B. Energy Charge:	
All on-peak kWh @	\$ 0.24676 per kWh
All off-peak kWh @	\$ 0.09223 per kWh

C. Minimum Bill:

The monthly minimum charge shall be the basic facilities charge

DETERMINATION OF ON-PEAK HOURS

A. On-Peak Hours:

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-7:00 p.m., Monday-Friday, excluding holidays.*

Winter Months of October-May:

The on-peak winter hours are defined as the hours between 7:00 a.m.-12:00 noon, Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03655 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00044 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 5**RESIDENTIAL SERVICE
TIME OF USE
(Page 2 of 2)****SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

The Company's levelized payment plans are not available to customers served under this rate schedule.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 6

RESIDENTIAL SERVICE
ENERGY SAVER / CONSERVATION RATE
(Page 1 of 2)

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

The builder or homeowner must provide the following:

- 1) For new homes only - Proof that home meets the Council of American Building Officials Model Energy Code.
- 2) Receipts showing the purchase and installation of a new AC unit that meets the requirements as shown below.
- 3) A certificate issued by an installer showing a wall total cavity R value of 15 (R-15).
- 4) Certification from builder stating that requirements have been met.

The Company may perform an on-site audit to verify that customer meets availability requirements as stated herein.

THERMAL AND AIR CONDITIONING REQUIREMENTS FOR ENERGY CONSERVATION

The following requirements are predicated on the Council of American Building Officials Model Energy Code and subject to change with a change in the Council of American Building Officials Model Energy Code. Sufficient application of thermal control products and specified air conditioning requirements must be met to satisfy the minimum standards outlined below:

- Ceilings:** Ceilings of newly constructed homes shall be insulated with a total "as installed" thermal resistance (R) value of 30 (R-30).
Ceilings of manufactured housing shall be insulated with a thermal resistance (R) value of 30 (R-30).
Ceilings of existing housing shall be insulated with a total "as installed" thermal resistance (R) value of 38 (R-38).
- Lighting:** Recessed ceiling lights shall be sealed.
- Walls:** Walls exposed to the full temperature differential (TD), or unconditioned areas, shall have a total cavity R value of 15 (R-15).
*This is not a requirement for existing housing.
- Floors:** Floors over crawl space or crawl space walls shall have insulation installed having a total R value of 19 (R-19).
100% of the exposed earth in a crawl space shall be covered with a vapor barrier of no less than (4) mills.
- Windows:** Windows shall be insulated (double) glass or have storm windows.
- Doors:** Doors exposed to full TD areas must be weather-stripped on all sides and of solid construction.
- Ducts:** Air ducts located outside of conditioned space must have: 1) all joints properly fastened and sealed, and, 2) the duct shall have a minimum installed insulation R-value of 6.0. All joints in ductwork outside of the conditioned space must be permanently sealed with the application of duct sealant. Transverse joints, take-offs, transitions, supply/return connections to the air handler, boot connections to the floor/ceiling/wall, and framed-in and panned passages must be made airtight with duct sealant.
- Attic Vent:** Attic ventilation must be a minimum of one square foot of net free area for each 150 square feet attic floor area.
- Water Heaters:** Electric water heaters must have insulation surrounding the tank with minimum total R value of 8 (R-8).
- Air Condition:** All air conditioners must have a SEER rating of 1.0 SEER higher than the rating shown in the Council of American Building Officials Model Energy Code or any federal or state mandated energy codes, whichever is higher.
- Other:** Chimney flues and fireplaces must have tight fitting dampers.

*Insulation thermal resistance values are shown for insulation only, framing corrections will not be considered.

The "as installed" thermal resistance (R) value for all loose fill or blowing type insulation materials must be verifiable either by installed density using multiple weighted samples, the manufacturer's certification methods, Federal Trade Commission's procedures or other methods specified by local governing agencies.

RATE 6

RESIDENTIAL SERVICE
ENERGY SAVER / CONSERVATION RATE
(Page 2 of 2)

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

	<u>Summer</u> (Billing Month June-September)	<u>Winter</u> (Billing Month October-May)
Basic Facilities Charge:	\$ 8.50	\$ 8.50
Plus Energy Charge:		
First 800 kWh @	\$ 0.11679 per kWh	\$ 0.11679 per kWh
Excess over 800 kWh @	\$ 0.12848 per kWh	\$ 0.11212 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$0.03655 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$0.00044 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 7

RESIDENTIAL SERVICE
TIME-OF-USE DEMAND
(Page 1 of 2)

AVAILABILITY

This rate is available on a voluntary basis to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartments structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total or more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

I. Basic Facilities Charge:	\$ 12.50
II. Demand Charge:	
A. On-Peak Billing Demand	
Summer Months of June-September @	\$ 11.06 per KW
Non-Summer Months of October-May @	\$ 6.91 per KW
III. Energy Charge:	
All on-peak kWh @	\$ 0.09172 per kWh
All off-peak kWh @	\$ 0.06922 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

BILLING DEMAND

The maximum integrated fifteen minute demand for the current month occurring during the on-peak hours specified below. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

DETERMINATION OF ON-PEAK HOURS

A. On-Peak Hours:

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-7:00 p.m., Monday-Friday, excluding holidays.*

Non-Summer Months of October-May:

The on-peak winter hours are defined as the hours between 7:00 a.m.-12:00 noon, Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03655 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00044 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 7

RESIDENTIAL SERVICE
TIME-OF-USE DEMAND
(Page 2 of 2)**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

The Company's levelized payment plans are not available to customers served under this rate schedule.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 8**RESIDENTIAL SERVICE****AVAILABILITY**

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

	<u>Summer</u> (Billing Month June-September)	<u>Winter</u> (Billing Month October-May)
Basic Facilities Charge:	\$ 8.50	\$ 8.50
Plus Energy Charge:		
First 800 kWh @	\$ 0.12166 per kWh	\$ 0.12166 per kWh
Excess over kWh @	\$ 0.13383 per kWh	\$ 0.11679 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03655 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00044 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 9

GENERAL SERVICE

(Page 1 of 2)

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power purposes such as commercial, industrial, religious, charitable and eleemosynary institutions. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

	<u>Summer</u> (Billing Months June-September)	<u>Winter</u> (Billing Months October-May)
I. Basic Facilities Charge:	\$ 19.00	\$ 19.00
II. Demand Charge:		
First 250 KVA of Billing Demand	No Charge	No Charge
Excess over 250 KVA of Billing Demand @	\$ 3.35 per KVA	No Charge
III. Energy Charge:		
First 3,000 kWh @	\$ 0.12038 per kWh	\$ 0.12038 per kWh
Over 3,000 kWh @	\$ 0.12789 per kWh	\$ 0.11183 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge and demand charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$0.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$0.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

POWER FACTOR

If the power factor of the Customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

TEMPORARY SERVICE

Temporary service for construction and other purposes will be supplied under this rate in accordance with the Company's Terms and Conditions covering such service.

PAYMENT TERMS

All bills are net and payable when rendered.

RATE 9**GENERAL SERVICE**
(Page 2 of 2)**SPECIAL PROVISIONS**

This rate is available for residential service where more than one dwelling unit is supplied through a single meter, provided service to such dwelling unit was established prior to July 1, 1980.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

UNMETERED SERVICE PROVISION

When customer's usage can be determined and in the sole opinion of the Company, installation of metering equipment is impractical or uneconomical, monthly Kwhrs. may be estimated by the Company and billed at the above rate per month, except that the basic facilities charge shall be \$6.75.

TERM OF CONTRACT

Contracts for installation of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 10**SMALL CONSTRUCTION SERVICE****AVAILABILITY**

This rate is available as a temporary service for builders using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general lighting and/or power purposes during construction. It is not available for resale or standby service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, two or three wire at Company's standard secondary service voltages of 240 volts or less.

RATE PER MONTH

Basic Facilities Charge: \$ 8.50

Plus Energy Charge:
All kWh @ \$ 0.12264 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

If providing temporary service requires the Company to install transformers and other facilities which must be removed when temporary service is no longer required, then the customer may be required to pay the cost of installing and removing the Company's temporary facilities.

TERM OF CONTRACT

Contracts shall be written for a period of time commencing with establishment of service and ending when construction is suitable for occupancy or one year, which is less. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 11

IRRIGATION SERVICE

(Page 1 of 2)

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. It is not available for resale. This schedule is available for service furnished for the operation of electric motor driven pumps and equipment supplying water for the irrigation of farmlands and plant nurseries, and irrigation to provide adequate moisture for vegetative cover to control erosion and provide runoff. The pumping units served hereunder shall be used solely for the purpose of irrigation.

All motors of more than 5 H.P. shall be approved by the Company. The Company reserves the right to deny service to any motor which will be detrimental to the service of other customers. Upon request, customer may pay all cost associated with upgrading the system to the point at which starting the customer's motor will not degrade the service to the other customers.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

I. Summer Months of June-September

A. Basic Facilities Charge:	\$ 22.65
B. Energy Charge:	
All on-peak kWh @	\$ 0.22029 per kWh
All shoulder kWh @	\$ 0.12865 per kWh
All off-peak kWh @	\$ 0.07677 per kWh

II. Winter Months of October-May

A. Basic Facilities Charge:	\$ 22.65
B. Energy Charge:	
All kWh @	\$ 0.07677 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, except when the revenue produced by the customer does not sufficiently support the investment required to serve the load. The Company will determine in each case the amount and form of payment required to correct the revenue deficiency.

DETERMINATION OF ON-PEAK SHOULDER, AND OFF-PEAK HOURS

A. On-Peak Hours:

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-6:00 p.m., Monday-Friday, excluding holidays.*

B. Shoulder Hours:

Summer Months of June-September:

The shoulder summer hours are defined as the hours between 10:00 a.m.-2:00 p.m. and 6:00 p.m.-10:00 p.m., Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak or shoulder hours.

*Holidays are Independence Day and Labor Day.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 11

IRRIGATION SERVICE

(Page 2 of 2)

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and obtain any other data necessary to determine the customer's load characteristics.

TERM OF CONTRACT

Contracts for installations shall be written for a period of not less than ten (10) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 12

CHURCH SERVICE

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power service to churches. It is not available for resale or standby service. It is only available to recognized churches.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge: \$ 13.30

Plus Energy Charge:
All kWh @ \$ 0.10360 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Under no conditions will the Company allow the service to be resold to or shared with others. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

When a church offers activities that, in the sole opinion of the Company, are of a commercial nature such as day care, camps or recreational activities, the Company may require that the account be served under the appropriate general service rate.

TERM OF CONTRACT

Contracts shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 13

MUNICIPAL
LIGHTING SERVICE

AVAILABILITY

This rate is available to municipal customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. This includes all municipally owned and operated facilities for lighting streets, highways, parks and other public areas, or other signal system service. It is not available for resale or standby service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge: \$ 19.00

Plus Energy Charge:

All kWh @ \$ 0.09708 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

Service shall not be supplied under this rate for establishments of a commercial nature, nor to operations primarily non-municipal. Under no circumstances will the Company allow the service to be resold or shared with others.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than ten (10) years.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 14**FARM SERVICE****AVAILABILITY**

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system on farms for producing but not processing agricultural, dairy, poultry and meat products.

Service shall not be supplied under this rate for establishments of a commercial nature such as stores, shops, stands, restaurants, service stations or any non-farm operations; nor for processing, distributing or selling farm or other products not originating through production on the premises served. Motors rated in excess of 20 H.P. will not be served on this rate. It is available for farm commercial operations including irrigation, grain elevators and crop drying for farm products produced on the premises served. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

	Summer (Billing Months June-September)	Winter (Billing Months October-May)
Basic Facilities Charge:	\$ 8.50	\$ 8.50
Plus Energy Charge:		
First 800 kWh @	\$ 0.12264 per kWh	\$ 0.12264 per kWh
Excess over 800 kWh @	\$ 0.13481 per kWh	\$ 0.11777 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs Exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state and governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 15

SUPPLEMENTARY AND STANDBY SERVICE

(Page 1 of 2)

AVAILABILITY

Available to Small Power Producers and co-generators that are a Qualifying Facility as defined by the Federal Energy Regulatory Commission (FERC) Order No. 70 under Docket No. RM 79-54. This schedule is not available to Qualifying Facilities with a power production capacity greater than 100 KW.

SUPPLEMENTARY SERVICE

Supplementary service is defined herein as power supplied by the Company to a Qualifying Facility in addition to that which the Qualifying Facility generates itself. Supplementary service will be provided by the Company under a retail electric service schedule which the customer will establish in conjunction with the implementation of this Supplementary and Standby Service rate.

SUPPLEMENTARY SERVICE

- 1) Standby service under this schedule is defined herein as power supplied by the Company to a Qualifying Facility to replace energy ordinarily generated by a Qualifying Facility during a scheduled or unscheduled outage.
- 2) Standby service is available to customers establishing a firm demand which is billed under a retail electric service schedule of the Company. If no firm demand is established by the customer for the purpose of taking Supplementary power, then Standby service will be provided as Supplementary service and billed on the applicable retail electric service schedule.
- 3) Standby service is defined for each 15-minute interval as the minimum of: (1) the Standby contracted demand, and, (2) the difference between the measured load and the contracted firm demand, except that such difference shall not be less than zero.
- 4) Supplementary Service is defined as all power supplied by the Company not defined herein as Standby Service.
- 5) The Standby contract demand shall be limited to the power production capacity of the Qualifying Facility.

STANDBY SERVICE POWER RATE PER MONTH

Basic Facilities Charge	\$	190.00
Demand Charge per KW of Contract Demand	\$	5.13
Energy Charge:		
On-Peak kWh @	\$	0.06495 per kWh
Off-Peak kWh @	\$	0.04811 per kWh

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

- A. On-Peak Hours:
On-peak hours are defined to be 10:00 a.m. - 10:00 p.m. for the months of June-September, excluding weekends.
- B. Off-Peak Hours:
All hours not defined as on-peak hours are considered to be off-peak.

POWER FACTOR

The customer must maintain a power factor of as near unity as practicable. If the power factor of the customer's installation falls below 85%, the Company shall adjust the billing demand to a basis of 85% power factor.

LIMITING PROVISION

The Standby Service power rate will be available for 1325 annual hours of consumption beginning in May and ending in April, or for a prorated share thereof for customers who begin to receive service in months other than May. Accounts on this rate are subject to the following condition: Standby service will be available for a maximum of 120 On-Peak Hours.

If this account exceeds: (1) 1325 hours of Standby service annually, or (2) 120 on-peak hours of Standby service, the account will be billed on the rate normally applied to customer's Supplementary service load for the current billing month and the subsequent eleven months.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03624 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00022 per kWh for Demand Side Management expenses.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 15

SUPPLEMENTARY AND STANDBY SERVICE

(Page 2 of 2)

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The customer is responsible for all costs associated with interconnection to the Company's system for the purpose of obtaining Supplementary or Standby power.

TERM OF CONTRACT

Contracts shall be written for a period of not less than three (3) years.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RATE 16

GENERAL SERVICE
TIME-OF-USE
(Page 1 of 2)

AVAILABILITY

This rate is available to any non-residential customer using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for power and light requirements and having an on-peak demand of less than 1,000 KW. The second billing month within a twelve billing month period that on-peak demand exceeds 1,000 KW will terminate eligibility under this rate schedule. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

I. Basic Facilities Charge:	\$ 22.65
II. Energy Charge:	
A. On-Peak kWh	
1. Months of June-September	\$ 0.22029 per kWh
2. Months of October-May	\$ 0.16849 per kWh
B. Off-Peak kWh	
First 1,000 off-peak kWh @	\$ 0.09010 per kWh
Excess over 1,000 off-peak kWh @	\$ 0.09551 per kWh

DETERMINATION OF ON-PEAK HOURS

A. On-Peak Hours:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

October-May:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-10:00 a.m. and 6:00 p.m.-10:00 p.m.

Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction cost in addition to the rate charges above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

RATE 16

GENERAL SERVICE
TIME-OF-USE
(Page 2 of 2)**EXPERIMENTAL UNIFORM LOAD PROVISION**

For applications where the customer has an expectation of their equipment operating at a constant level, or 100% Load Factor (same usage level for every hour of a billing period), the Company may use a standard meter, without time-of-use capability, to record monthly energy usage. In such instances, the customer will be required to submit to the Company engineering specifications, meter history results, or other pertinent data that would demonstrate the expectation of a constant, or uniform load. The Company will make the final determination as to whether an account qualifies for service under this provision.

The Rate Per Month would be the Rate 16 Basic Facilities Charge plus the product of the customer's actual metered energy times the kWh Energy Charge as determined in the table below:

Tier	Average Energy Usage per Month	Energy Charge
A	0 - 999 kWh	\$ 0.11248 per kWh
B	1,000 - 1,999 kWh	\$ 0.11248 per kWh
C	2,000 - 3,000 kWh	\$ 0.11392 per kWh

For purposes of determining the appropriate Tier for each specific account, Average Energy Usage per Month will be determined by taking a simple average of the last 12 months of historical energy consumption. For new accounts, a Company calculation will be performed based upon the customer technical data requirements mentioned earlier. The Company may also take into account any other such data as deemed appropriate for Tier assignment. When an account has been assigned to a Tier, it shall be billed under the associated Energy Charge each month until an equipment change noted by the customer or Company test result that may nullify eligibility as specified below. Tier assignments will not change on a month to month basis. Accounts averaging more than 3,000 kWh per month will not be eligible for service under this Provision and will be metered under the standard Time-of-Use provisions of Rate 16. The Company will make the final determination as to the appropriate Tier assignment for all accounts.

The customer shall notify the Company in writing if the customer's equipment or method of operation change such that a 100% Load Factor is no longer expected. The Company will conduct an annual review of all Uniform Load Provision accounts, and reserves the right to periodically verify load patterns and characteristics through testing for any and all accounts covered by this Provision. This would generally be accomplished by the installation of demand or other Time-of-Use capable meters. If any account is found to have a load pattern producing less than 100% Load Factor or an average usage above 3,000 kWh per month, it will no longer be billed under the Uniform Load Provision. The Company will install a traditional Rate 16 type meter and bill the customer under the standard Time-of-Use provisions noted in the Rate Per Month section above.

The tiered charges under this Uniform Load Provision will be adjusted for any and all retail electric rate actions approved by the Public Service Commission of South Carolina including, but not limited to changes in the Adjustment for Fuel and Variable Environmental Costs, Rate Reduction and Tax Credit Rider, Rider related to Demand Side Management, and requests for Revised Rates under the Base Load Review Act.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. Contracts for installations of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 19

**GENERAL SERVICE
CONCURRENT DEMAND
TIME-OF-USE**
(Page 1 of 2)

AVAILABILITY

This rate is available at the Company's discretion, to a maximum of 10 business entities using the Company's standard electric service. Each business entity shall be comprised of at least 2 non-contiguous premises having a total combined contract demand of at least 1,000 KVA. In addition, each premises shall have a minimum contract demand of 50 KVA. A business entity is defined as a single corporation, partnership, or individual owner. This rate is not available for individual franchise units of a business, nor for subsidiaries operating as a separate corporation or partnership. The individual premises which comprise the business entity should possess similar characteristics and/or load patterns common to the industry in which the entity does business. This schedule is not available to entities which form an association or similar organization solely in an attempt to qualify for service under this rate. The Company reserves the right to make a final determination on what constitutes a business entity as well as the premises making up that entity. This rate is not available for residential customers or resale service.

Service under this rate schedule is dependent on the Company procuring and installing necessary metering equipment and may not be available to premises where multiple delivery points on contiguous properties are not currently combined under contract.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. The Diversity Charge will be computed utilizing actual data or modeled using available sample data from similar entities. Once actual data is available for a twelve month period, the Diversity Charge will be reviewed and may be adjusted. The Diversity charge will not be less than zero. The Diversity Charge will be computed according to the following formula:

$$\text{Diversity Charge} = \frac{AC1 - AC2}{12}$$

Where AC1 = Annual Cost Under Current Rate(s)
AC2 = Annual Cost Projected Under Concurrent Rate

II. Basic Facilities Charge: \$ 190.00 per Premises

III. Demand Charge:**A. Concurrent On-Peak Billing Demand**

1. Summer Months of June-September @ \$ 20.98 per KVA
2. Non-Summer Months of October-May @ \$ 13.95 per KVA

B. Concurrent Off-Peak Billing Demand

1. All Off-Peak Billing Demand @ \$ 3.92 per KVA

IV. Energy Charge:**A. On-Peak kWh**

1. Summer Months of June-September @ \$ 0.09304 per kWh
2. Non-Summer Months of October-May @ \$ 0.06495 per kWh

B. Off-Peak kWh

1. All Off-Peak @ \$ 0.04811 per kWh

BILLING DEMAND

The concurrent billing demand for the entity will be the maximum integrated 15 minute concurrent demand which may be on a rolling time interval for all the premises' metering points during the calendar month.

For the summer months, the concurrent on-peak billing demand shall be the maximum integrated fifteen minute concurrent demand measured during the on-peak hours of the current month.

For the non-summer months, the concurrent on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute concurrent demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated concurrent demand occurring during the on-peak hours of the preceding months.

The concurrent off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute concurrent demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand, or (3) 50 KVA per premises minus the on-peak billing demand.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 19**GENERAL SERVICE
CONCURRENT DEMAND
TIME-OF-USE
(Page 2 of 2)****DETERMINATION OF ON-PEAK AND OFF PEAK HOURS****A. On-Peak Hours During Summer Months:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The peak non-summer hours are defined as the hours between 6:00 a.m.-12:00 noon and 5:00p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

ADDITION OR REMOVAL OF A PREMISES

An additional premises may be added subsequent to the initial five (5) year contract without an increase in the diversity charge if the entity extends the existing concurrent contract so that the term extends five (5) years after the addition of the new premises. A premises existing at the time that the entity initially elects to take service under this rate schedule may be added without an extension in the concurrent contract term; however, there will be an increase in the diversity charge as each pre-existing premises is added. If an entity wants to terminate service to a premises under this rate schedule and the same time does not add another premises which includes an extension of the contract term, the Company will determine the appropriate termination charge. Alternatively, if the entity adds an additional premises and prefers not to extend the contract term, the diversity charge will increase accordingly and the entity agrees to reimburse the Company for the total cost of connection to the Company's system if service to the new premises is terminated within five (5) years of the service date.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03624 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00022 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

BILLING AND PAYMENT TERMS

Bills will be calculated on a monthly basis. Each premises will receive an individual information bill and the entity will receive a combined bill summarizing all of the premises. All payments, as well as any credit and collection activities, will be at the entity level. All bills are net and payable when rendered.

SALES AND FRANCHISE TAX

For each premises served under this rate, any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body, will be added to the monthly bill.

METERING

Service under this rate will be provided only after the Company procures and installs at each premises metering which has interval data capabilities to allow for the aggregation of demand for each 15 minute interval in the billing period. Each entity may be required to contribute to the cost of metering installed by the Company to qualify for service under this rate. In addition, the entity must provide a dedicated phone line at each metering point.

TERM OF CONTRACT

The contract terms will depend on the conditions of service above. No contract shall be written for a period of less than five (5) years. A master contract shall be written to include all premises amended as premises are added or deleted.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 20

MEDIUM GENERAL SERVICE

AVAILABILITY

This rate is available to any non-residential customer using the Company's standard service for power and light requirements and having a contract demand of 75 KVA or over. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. Basic Facilities Charge \$ 175.00

II. Demand Charge:

All KVA of Billing Demand @ \$ 16.60 per KVA

The billing demand (to the nearest whole KVA) shall be the greatest of: (1) the maximum integrated fifteen minute demand measured (which may be on a rolling time interval) during the current month; or (2) eighty percent (80%) of the highest demand occurring during the billing months June through September in the eleven preceding months; or (3) sixty percent (60%) of the highest demand occurring during the billing months of October through May in the eleven preceding months; or (4) the contract demand; or (5) 75 KVA.

III. Energy Charge:

First 75,000 kWh @ \$ 0.05385 per kWh

Excess over 75,000 kWh @ \$ 0.04860 per kWh

MINIMUM CHARGE

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03624 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00022 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of less than five (5) years.

A separate contract shall be written for each meter.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RIDER TO RATES 20 AND 23**SERVICE FOR COOL
THERMAL STORAGE****AVAILABILITY**

This rider is available to customers served under Rate Schedules 20 and 23 for thermal storage during billing months June through September. Service under this rider shall be available at customer's request and with Company Certification of customer's installed thermal storage system. The qualifying thermal storage unit must be capable of removing at least thirty percent (30%) of the customer's actual or expected load during the on-peak hours. The provisions of Rate Schedules 20 and 23 are modified only as shown herein.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS**A. On-Peak Hours:**

The on-peak hours during June through September are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: Independence Day and Labor Day.

BILLING DEMAND DETERMINATION**Billing Months June Through September**

The on-peak billing demand (to the nearest whole number) shall be the greatest of the following and shall be billed on the Applicable Rate

- (1) The maximum, integrated fifteen minute demand measured (which may be on a rolling time interval) during the hours of 1:00 p.m. to 9:00
- (2) 90% of the demand registered during these hours for the previous June through September billing period, if service was supplied under
- (3) The contract demand.
- (4) Applicable Rate Minimum.

Billing Months October Through May

The billing demand (to the nearest whole number) shall be the greatest of the following and shall be billed on the Applicable Rate Demand charge:

- (1) The maximum, integrated fifteen minute demand measured (which may be on a rolling time interval).
- (2) 60% of the highest demand occurring during the preceding October through May billing period.
- (3) The contract demand.
- (4) Applicable Rate Minimum.

EXCESS BILLING DEMAND**Billing Months June Through September**

The excess billing demand shall be the positive difference between the maximum integrated fifteen minute demand measured during off-peak hours minus the on-peak billing demand.

RATES PER MONTH

Excess Billing Demand Applicable to Rate 20 \$ 4.05 per KVA

Excess Billing Demand Applicable to Rate 23 \$ 4.05 per KW

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of these riders.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 21

GENERAL SERVICE
TIME-OF-USE-DEMAND
(Page 1 of 2)

AVAILABILITY

This rate is available to any customer using the Company's standard service for power and light requirements and having a contract demand of 50 KVA and a maximum demand of less than 1,000 KVA. It is not available for resale service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. Basic Facilities Charge:	\$ 190.00
II. Demand Charge:	
A. On-Peak Billing Demand:	
1. Summer Months of June-September @	\$ 20.98 per KVA
2. Non-Summer Months of October-May @	\$ 13.95 per KVA
B. Off-Peak Billing Demand	
1. All Off-Peak Billing Demand @	\$ 3.92 per KVA
III. Energy Charge:	
A. On-Peak kWh	
1. Summer Months of June-September @	\$ 0.09304 per kWh
2. Non-Summer Months of October-May @	\$ 0.06495 per kWh
B. Off-Peak kWh	
1. All Off-Peak @	\$ 0.04811 per kWh

BILLING DEMAND

The billing demands will be rounded to the nearest whole KVA. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand or (3) 50 KVA minus the on-peak billing demand.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

A. On-Peak Hours During Summer Months:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The on-peak non-summer hours are defined as these hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m.,

Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

RATE 21

**GENERAL SERVICE
TIME-OF-USE-DEMAND**
(Page 2 of 2)**RIDERS**

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03624 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00022 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RATE 21A

EXPERIMENTAL PROGRAM - GENERAL SERVICE

TIME-OF-USE-DEMAND

(Page 1 of 2)

AVAILABILITY

This rate is available on a voluntary "first come, first serve" basis to the first 250 Rate 20 customer accounts and any Rate 21 customer account that qualify under the provisions of the stipulation approved by the South Carolina Public Service Commission in Docket #2002-223-E order No. 2003-38 dated January 31, 2003. This rate will be closed after the initial participant group is established, except there will be 25 additional customer accounts that will be allowed to participate on a "first come first serve" basis for new facilities constructed by customers in the initial participant group and as provided for in the stipulation as referenced above. The stipulation referenced above shall provide guidance as to any issue regarding availability on this rate. It is not available for resale service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. Basic Facilities Charge:		\$	190.00	
II. Demand Charge:				
A. On-Peak Billing Demand:				
1. Summer Months of June-September @	\$	20.33	per KVA	
2. Non-Summer Months of October-May @	\$	12.52	per KVA	
B. Off-Peak Billing Demand				
1. All Off-Peak Billing Demand @	\$	3.92	per KVA	
III. Energy Charge:				
A. On-Peak kWh				
1. Summer Months of June-September @	\$	0.08294	per kWh	
2. Non-Summer Months of October-May @	\$	0.05663	per kWh	
B. Off-Peak kWh				
1. All Off-Peak @	\$	0.04459	per kWh	

BILLING DEMAND

The billing demands will be rounded to the nearest whole KVA. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand or (3) 50 KVA minus the on-peak billing demand.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

A. On-Peak Hours During Summer Months:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The on-peak non-summer hours are defined as these hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m.,

Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 21A

EXPERIMENTAL PROGRAM - GENERAL SERVICE
TIME-OF-USE-DEMAND
(Page 2 of 2)**RIDERS**

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03624 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00022 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. The contract for this experimental program shall be written for a period of 48 months as provided for in the stipulation approved by the South Carolina Public service Commission in docket No. 2002-223-E, order No. 2003-38 dated July 31, 2003. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RATE 22

SCHOOL SERVICE

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power service to schools. It is not available for resale service. It is only available to recognized non-boarding schools with up through grade twelve.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge:	\$ 13.30
Plus Energy Charge:	
First 50,000 kWh @	\$ 0.10581 per kWh
Excess over 50,000 kWh @	\$ 0.12306 per kWh

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Under no conditions will the Company allow the service to be resold to or shared with others. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

When a school offers activities that, in the sole opinion of the Company, are of a commercial nature such as day care, camps or recreational activities, the Company may require that the account be served under the appropriate general service rate.

TERM OF CONTRACT

Contracts shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 23

INDUSTRIAL POWER SERVICE

AVAILABILITY

This rate is available to any customer classified in the major industrial group of manufacturing with 10-14 or 20-39 as the first two digits of the Standard Industrial Classification or 21 or 31-33 as the first two digits of the six digit North American Industry Classification System using the Company's standard service for power and light requirements and having a contract demand of 1,000 KW or over. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. Basic Facilities Charge \$ 1,825.00

II. Demand Charge:

All KW of Billing Demand @ \$ 13.91 per KW

The billing demand (to the nearest whole KW) shall be the greatest of: (1) the maximum integrated fifteen minute demand measured (which may be on a rolling time interval) during the current month; or (2) eighty percent (80%) of the highest demand occurring during the billing months of June through September in the eleven preceding months; or (3) sixty (60%) of the highest demand occurring during the billing months of October through May in the eleven preceding months; or (4) the contract demand; or (5) 1,000 KW.

The customer shall maintain a power factor of as near unity as practicable. If the power factor of the customer's installation falls below 85%, the Company will adjust the billing demand to a basis of 85% power factor.

III. Energy Charge:

All kWh @ \$ 0.04783 per kWh

DISCOUNT

A discount of \$0.60 per KW of billing demand will be allowed when the service is supplied at a delivery voltage of 46,000 volts or higher.

MINIMUM CHARGE

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03602 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00008 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RATE 24

LARGE GENERAL SERVICE
TIME-OF-USE
(Page 1 of 2)

AVAILABILITY

This rate is available to any customer using the Company's standard service for power and light requirements and having a contract demand of 1,000 KW or over. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. Basic Facilities Charge:	\$ 1,825.00
II. Demand Charge:	
A. On-Peak Billing Demand	
1. Summer Months of June-September @	\$ 16.82 per KW
2. Non-Summer Months of October-May @	\$ 11.78 per KW
B. Off-Peak Billing Demand	
1. All Off-Peak Billing Demand @	\$ 5.13 per KW
III. Energy Charge:	
A. On-Peak kWh	
1. Summer Months of June-September @	\$ 0.07942 per kWh
2. Non-Summer Months of October-May @	\$ 0.05744 per kWh
B. Off-Peak kWh	
1. All Off-Peak @	\$ 0.04390 per kWh

BILLING DEMAND

The billing demands will be rounded to the nearest whole KW. If the power factor of the customer's current month maximum integrated fifteen minute KW demand for the on-peak and off-peak time periods are less than 85%, then the Company will adjust same to 85%. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, or (2) the contract demand minus the on-peak billing demand, or (3) 1,000 KW minus the on-peak billing demand.

DISCOUNT

A discount of \$0.60 per KW of on-peak and off-peak billing demand will be allowed when the service is supplied at a delivery voltage of 46,000 volts or higher.

DETERMINATION OF ON-PEAK HOURS

A. On-Peak Hours During Summer Months:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m.,

Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 24

LARGE GENERAL SERVICE
TIME-OF-USE
(Page 2 of 2)**MINIMUM CHARGE**

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

RIDERS

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03602 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00008 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

**RATE 28
(EXPERIMENTAL)****SMALL GENERAL SERVICE
TIME-OF-USE DEMAND
(Page 1 of 2)****AVAILABILITY**

This rate is available to any non-residential customer using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for power and light requirements and having an on-peak demand of not more than 100KW. The second billing month within a twelve billing month period that on-peak demand exceeds 100 KW will terminate eligibility under this rate schedule. It is not available for resale service. This rate is available to a maximum of 25 customers not enrolled under the Company's Rider to Rates 7 & 28 - Net Metering For Renewable Energy Facilities.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

I. Basic Facilities Charge:	\$ 22.65
II. Demand Charge:	
A. On-Peak Billing Demand:	
1. Summer months of June-September @	\$ 17.35 per KW
2. Non-Summer months of October-May @	\$ 10.84 per KW
B. Off-Peak Billing Demand	
1. All Off-Peak Billing Demand @	\$ 3.47 per KW
III. Energy Charge:	
A. On-Peak kWh	
1. All On-Peak @	\$ 0.10933 per kWh
B. Off-Peak kWh	
2. All Off-Peak @	\$ 0.08410 per kWh

BILLING DEMAND

The billing demands will be rounded to the nearest whole KW. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.
For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.
For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.
The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand or (2) the contract demand minus the on-peak billing demand.

DETERMINATION OF ON-PEAK HOURS**A. On-Peak Hours:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

October-May:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-10:00 a.m. and 6:00 p.m.-10:00 p.m.

Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction cost in addition to the rate charges above.

**RATE 28
(EXPERIMENTAL)****SMALL GENERAL SERVICE
TIME-OF-USE DEMAND
(Page 2 of 2)****RIDERS**

The energy charges above include the credits provided under the Rate Reduction and Tax Credit Rider as ordered by the Public Service Commission of South Carolina. These energy charges will be adjusted as the credits expire.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel cost of \$.03633 per kWh are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

DEMAND SIDE MANAGEMENT COMPONENT

The energy charges above include a DSM component of \$.00085 per kWh for Demand Side Management expenses.

STORM DAMAGE COMPONENT

Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

POWER FACTOR

If the power factor of the customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. Contracts for installations of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

ELECTRIC CONTRACTED RATES

<u>Name of Customer</u>	<u>Rate</u>
State Line Accounts*	23
U. S. Department of Energy Savannah River Operations	
Base Contract	<u>Demand Charge:</u> Basic Facility Charge \$ 1,825.00 First 20,000 Kw \$ 11.82 per KW Excess over 20,000 Kw \$ 13.91 per KW <u>Energy Charge:</u> All kWh @ \$ 0.04783 per kWh
INTERNATIONAL PAPER Eastover Mills	
Economy Power Rate	<u>Administrative Charges:</u> \$ 1,825.00 per month <u>On-Peak Energy Charge:</u> Fuel cost of highest cost generation unit or purchased power (other than cogeneration) plus \$ 0.01476 per kWh <u>Off-Peak Energy Charge:</u> Fuel cost of highest cost generation unit or purchased power (other than cogeneration) plus \$ 0.00807 per kWh <u>Excess Demand Charge:</u> \$ 18.00 per KW
Standby Power Rate	<u>Demand Charge:</u> On-peak June-September \$ 0.38532 per KW/Day On-peak October-May \$ 0.21962 per KW/Day Off-peak \$ 0.14893 per KW/Day <u>Energy Charge:</u> Same as that for Economy Power above <u>Excess Demand Charge:</u> \$ 18.00 per KW

Effective Upon Approval of the Public
Service Commission of South Carolina

SOUTH CAROLINA ELECTRIC & GAS COMPANY**ELECTRIC CONTRACTED RATES****INTERNATIONAL PAPER - continued****Maintenance Power Rate**

<u>Demand Charge:</u>	\$ 0.43759	per KW/Day
<u>Energy Charge:</u>	\$ 0.04783	per kWh
<u>Company Provided KVAR</u>	\$ 0.14773	per KVAR

**Contracted lighting, signal and
roadway lighting, etc.**

Negotiated Contracts

* After contractual (1925 and 1955) adjustments

- Note: (1) Fuel costs of \$.03602 per kWh are included in the Energy Charge and subject to adjustment by order of the Public Service Commission of South Carolina.
- (2) Inclusion of a storm damage component has been indefinitely suspended until further order of the Public Service Commission of South Carolina.

EXHIBIT G

Retail Rate Impact Projections
(\$millions)

Retail Impact of Gross Revenue Required	95.77%													Total
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Retail Margin Forecast(existing rates)	\$ 1,272	\$ 1,273	\$ 1,249	\$ 1,313	\$ 1,261	\$ 1,265	\$ 1,283	\$ 1,315	\$ 1,322	\$ 1,347	\$ 1,373	\$ 1,400	\$ 1,428	\$ 1,442
Base Retail Fuel Costs @ Current Rates	\$ 802	\$ 797	\$ 765	\$ 822	\$ 791	\$ 798	\$ 812	\$ 827	\$ 829	\$ 840	\$ 851	\$ 861	\$ 871	\$ 875
Nuclear Fuel Cost Adjustment										\$ (123)	\$ (123)	\$ (123)	\$ (255)	\$ (255)
Production Tax Credits Applied to Fuel Costs										\$ (124)	\$ (101)	\$ (65)	\$ (98)	\$ (98)
Net	\$ 802	\$ 797	\$ 765	\$ 822	\$ 791	\$ 798	\$ 812	\$ 827	\$ 829	\$ 593	\$ 627	\$ 674	\$ 518	\$ 522
Total Base Revenues	\$ 2,074	\$ 2,071	\$ 2,014	\$ 2,135	\$ 2,051	\$ 2,063	\$ 2,095	\$ 2,143	\$ 2,151	\$ 1,940	\$ 2,000	\$ 2,073	\$ 1,946	\$ 1,964
Incremental Revenue Requirements-BLRA	\$ -	\$ 8	\$ 23	\$ 47	\$ 59	\$ 79	\$ 111	\$ 99	\$ 81	\$ 236	\$ 43	\$ 59	\$ 151	\$ -
Cumulative Revenue Requirements-BLRA	\$ -	\$ 7.8	\$ 30.3	\$ 77.6	\$ 136.2	\$ 215.1	\$ 326.3	\$ 424.9	\$ 505.6	\$ 741.8	\$ 784.8	\$ 844.1	\$ 995.4	\$ 985.4
Gross Revenue	\$ 2,074	\$ 2,078	\$ 2,044	\$ 2,213	\$ 2,188	\$ 2,278	\$ 2,421	\$ 2,567	\$ 2,657	\$ 2,682	\$ 2,785	\$ 2,917	\$ 2,941	\$ 2,959
Retail Sales	22,150	22,014	21,120	22,704	21,831	22,033	22,409	22,834	22,884	23,201	23,507	23,784	24,061	24,159
\$/KWH	\$ 0.0936	\$ 0.0944	\$ 0.0968	\$ 0.0975	\$ 0.1002	\$ 0.1034	\$ 0.1081	\$ 0.1124	\$ 0.1161	\$ 0.1156	\$ 0.1185	\$ 0.1227	\$ 0.1222	\$ 0.1225
Annual Rate Change		0.4%	1.1%	2.3%	2.6%	3.2%	4.5%	4.1%	3.3%	-0.4%	2.5%	3.5%	-0.3%	2.09%

Incremental revenue requirements in 2016 and 2019 include projected in-service costs.

The forecasts listed here are indicative of the rate impacts that may be expected from construction and operation of VCSNS Units 2 & 3 on a stand-alone basis. These forecasts do not reflect overall rate changes during the period, which may include changes in such things as fuel costs, and base rates. In addition, actual rate impacts from the Units will vary based on such things as the actual rates of growth in customers and demand during the period, changes in SCE&G's cost of capital, changes in the amount and timing of investment in the Units, changes in in-service expenses, and other factors.